United States Court of Appeals

for the Second Circuit

EXHIBITS

75-7696

In The

United States Court of Appeals

For The Second Circuit

B

P/S

KURT SCHMIEDER,

Plaintiff-Appellant,

vs.

LOUIS H. HALL, as executor of the estate of HELEN B. DWYER, deceased,

Defendant-Appellee.

On Appeal from the United States District Court, Southern District of New York.

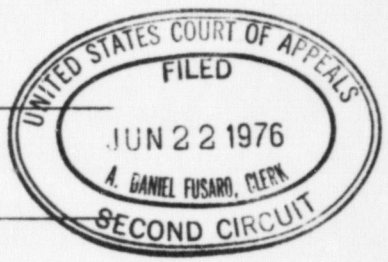


EXHIBIT VOLUME

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E1

PLAINTIFF'S EXHIBIT 1 - ORIGINAL VESTING ORDER - 528

Re: Stock owned by and debts owing to Kurt Schnieder.

Under the authority of the Trading with the Enemy act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Kurt Schnieder, whose last known address is Leerane, Saxony, Germany, is a resident of Germany, and a national of a designated enemy country (Germany);

2. That the property described as follows:

   a. That certain debt or other obligation of The New York Trust Company, One Hundred Broadway, New York 15, New York, arising from the credit balance in a blocked custodian account, account numbered 6832, entitled Helen B. Dwyer, maintained with the aforesaid Company, and any and all rights to demand, enforce and collect the aforesaid debt or other obligation and any and all accruals thereto,

   Plaintiff Exh. 6-5 12 A

   b. Those certain shares of stock described in Exhibit A, attached hereto and by reference made a part hereof, registered in the name of Helen B. Dwyer, presently in the custody of The New York Trust Company, One Hundred Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832, and entitled Helen B. Dwyer, together with all declared and unpaid dividends thereon,

   c. All rights and interest created in Helen B. Dwyer in and to the following:

      (1) That certain Memorandum of Agreement made and entered into as of the fifteenth day of October, 1941 by and between Louis H. Hall, Jr., and Helen B. Dwyer, executed on December 4, 1941, and that certain Memorandum Amending the aforesaid Memorandum of Agreement, executed by the aforesaid Louis H. Hall, Jr., and Helen B. Dwyer, on April 23, 1942, said Memorandum and Amending Memorandum presently in the custody of The New York Trust Company, One Hundred Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832 and entitled Helen B. Dwyer,

      (2) Any and all securities held in a blocked custodian account, account numbered 6832 and entitled Helen B. Dwyer, maintained at The New York Trust Company, One Hundred Broadway, New York 15, New York, said securities held as collateral under the terms of the aforesaid memorandum, and

      (3) That certain quit claim deed executed and delivered to Helen B. Dwyer by Louis H. Hall, Jr., pursuant to the terms of the aforesaid memoranda and the real property covered thereby, and

   d. Those certain debts or other obligations evidenced by four (4) notes executed by Elizabeth K. Hall, payable on demand to Helen B. Dwyer, dated, in the face amount and bearing interest at the rates set forth below:

Date	Face Amount	Interest Rate
November 10, 1941	$10,000.00	2-1/2%
April 25, 1942	600.00	4
August 15, 1942	800.00	4
March 16, 1942	4,500.00	4

said notes presently in the custody of The New York Trust Company, One Hundred Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832, and entitled Helen B. Dwyer, and any and all rights to demand, enforce and collect the aforesaid debts or other obligations, and any and all rights to the same, together with any and all rights [illegible] said notes, including particularly [illegible] said notes,

EXHIBIT 1

Re: [illegible]

[illegible] within the United States owned or [illegible], payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Kurt Schleider, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

THERE IS HEREBY VESTED in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

(40 Stat. 411, 50 U.S.C. App. 1; 55 Stat. 839, 50 U.S.C. App. Sup. 616; Pub. Law 322, 79th Cong., 60 Stat. 50; Pub. Law 671, 79th Cong., 60 Stat. 925; E.O. 9193, July 6, 1942, 7 F.R. 5205, 3 CFR, 1943 Supp.; E.O. 9567, June 8, 1945, 10 F.R. 6917, 3 CFR, 1945 Supp.; E.O. 9788, Oct. 4, 1946, 11 F.R. 11981)

Executed at Washington, D.C., on December , 1946.

For the Attorney General

(Signed) David L. Bazelon

David L. Bazelon
Assistant Attorney General
Director, Office of Alien Property

(Official Seal)

I hereby certify that the within is a true and correct copy of the original paper on file in this office.
For the Attorney General
David L. Bazelon, Assistant Attorney General
Director, Office of Alien Property
By Angela M. Blanton
Assistant Secretary for Records

DEPARTMENT OF JUSTICE
OFFICE OF ALIEN PROPERTY

Amendment to Vesting Order 12528

Re: Stock owned by and debts owing to Kurt Schmieder

Vesting Order 12528, dated December 15, 1948, is hereby amended to read as follows:

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Kurt Schmieder, whose last known address is Meerane, Saxony, Germany, is a resident of Germany, and a national of a designated enemy country (Germany);

2. That the property described as follows:

   a. That certain debt or other obligation of The New York Trust Company, One Hundred Broadway, New York 15, New York, arising from the credit balance in a blocked custodian account, account numbered 6832, entitled Helen B. Dwyer, maintained with the aforesaid Company, and any and all rights to demand, enforce and collect the aforesaid debt or other obligation and any and all accruals thereto,

   b. Those certain shares of stock described in Exhibit "A", attached hereto and by reference made a part hereof registered in the name of Helen B. Dwyer, presently in the custody of The New York Trust Company, 100 Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832, and entitled Helen B. Dwyer, together with all declared and unpaid dividends thereon,

   c. All rights and interest created in Helen B. Dwyer in, to and under the following:

      (1) That certain Memorandum of Agreement made and entered into as of the fifteenth day of October, 1941 by and between Louis H. Hall, Jr., and Helen B. Dwyer, executed on December 4, 1941, and that certain Memorandum Amending the aforesaid Memorandum of Agreement, executed by the aforesaid Louis H. Hall, Jr., and Helen B. Dwyer, on April 23, 1942, said Memorandum and Amending Memorandum presently in the custody of The New York Trust Company, One Hundred Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832 and entitled Helen B. Dwyer,

      (2) One hundred and fifty (150) shares of no par value capital stock of Glen Alden Coal Company, Scranton, Pennsylvania, a corporation organized under the laws of the State of Pennsylvania, evidenced by certificates numbered C 48616 and F 45906, for 100 and 50 shares, respectively, registered in the name of Elizabeth K. Hall, and presently in the custody of The New York Trust Company, One Hundred Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832, and entitled Helen B. Dwyer, such securities held as collateral under the terms of the aforesaid memorandum, and

      (3) That certain quitclaim deed to Helen B. Dwyer from Elizabeth K. Hall, executed December 29, 1941 by Elizabeth K. Hall and delivered to said Helen B. Dwyer, pursuant to the terms of the aforesaid memorandum and the real property covered thereby,

   d. Those certain debts or other obligations evidenced by four (4) notes executed by Elizabeth K. Hall, payable on demand to Helen B. Dwyer, dated, in the face amount and bearing interest at the rates set forth below:

Stock owned by and debts owing to Kurt Schmiedor E4

Date	Face Amount	Interest Rate
November 10, 1941	$10,000.00	2½
April 25, 1942	600.00	4
August 15, 1942	600.00	4
March 16, 1942	4,500.00	4

said notes presently in the custody of The New York Trust Company, One Hundred Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832, and entitled Helen B. Dwyer, and any and all rights to demand, enforce and collect the aforesaid debts or other obligations, and any and all accruals thereto, together with any and all rights in, under and to the aforesaid notes, including particularly the right to possession of said notes,

e. One script certificate for Twenty-five Two Hundredths, (25/200ths) of a share of capital Series "B" stock of the Standard Oil Company, 300 Rockefeller Plaza, New York, New York, said script certificate numbered E-46384, in bearer form, and presently in the custody of The New York Trust Company, 100 Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832, and entitled Helen B. Dwyer, and any and all rights thereunder and thereto, and

f. One script certificate for One hundred Two-hundredths, (100/200ths) of a share of capital stock of the Texas Company, 135 East 42nd Street, New York, New York, said script certificate numbered S20-4574, in bearer form, and presently in the custody of The New York Trust Company, 100 Broadway, New York 15, New York, in a blocked custodian account, account numbered 6832 and entitled Helen B. Dwyer, and any and all rights thereunder and thereto,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Kurt Schmiedor, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

THERE IS HEREBY VESTED in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

(40 Stat. 411, 50 U.S.C. App. 1; 55 Stat. 839, 50 U.S.C. App Sup. 616; Pub. Law 322 79th Cong., 60 Stat. 50; Pub. Law 671, 79th Cong., 60 Stat. 925; E.O. 9193, July 6 1942, 7 F.R. 5205, 3 CFR, Cum. Supp.; E.O. 9567, June 8, 1945, 10 F.R. 6917, 3 CFR, 1945 Supp.; E.O. 9788, Oct. 4, 1946, 11 F. R. 11981)

Executed at Washington, D. C., on March 2, 1949.

For the Attorney General

(Signed) David L. Bazelon

David L. Bazelon
Assistant Attorney General
Director, Office of Alien Property

(Official Seal)

I hereby certify that the within is a true and correct copy of the original paper on file in this office.
For the Attorney General
David L. Bazelon, Assistant Attorney General
Director, Office of Alien Property
By Gayle M. Blanton
Assistant Secretary for Records

Stock owned by and debts owing to Kurt Schmieder

EXHIBIT A

Name & Address of Issuer	State of Incorporation	Certificate Numbers	Number of Shares	Par Value	Type of Stock
Allied Mills, Inc. 400 Board of Trade Building Chicago 4, Illinois	Indiana	NY 31106	100	NO	Common
Allis - Chalmers Manufacturing Company Milwaukee, Wisconsin	Delaware	C 86644	100	NO	Common
The American Agricultural Chemical Company 20 Church Street New York 7, New York	Delaware	Y 10808	100	NO	Common
American Can Company 30 Park Avenue New York 17, New York	New Jersey	233914 233915 0408136	100 100 5	25 25 25	Common Common Common
American Gas & Electric Company 20 Church Street New York 8, New York	New York	AC 32303	100	10	Common
American Telephone & Telegraph Company 195 Broadway New York 7, New York	New York	N138450	3	100	Capital
The American Tobacco Company 111 Fifth Avenue New York 3, New York	New Jersey	C 74869	100	25	Common
American Viscose Corporation Delaware Trust Building Wilmington, Delaware	Delaware	NY/C 9275	100	14	Common
Atlantic City Electric Company [illegible] Pacific Avenue Atlantic City, New Jersey	New Jersey	C 02885 C 034877 C 057128 C 077430 C 0101196	2 2 2 2 3	10	Common

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Re: Stock owned by and debts owing to Kurt Schmieder

EXHIBIT A

Name & Address of Issuer	State of Incorporation	Certificate Numbers	Number of Shares	Par Value	Type of Stock
The Borden Company 350 Madison Avenue New York 17, New York	New Jersey	C 31379	100	15	Capital
Botany Mills, Inc. Passaic, New Jersey	New Jersey	TNC 68[illegible]/88	100 each	1	Common
		TNC 0943	75	1	Common
		TNA 903/79	100 each	25	Preferred
		TNA 0602	50	25	Preferred
		TNP 305/11	100 each	25	Prior Preferred
Consolidated Edison Company of New York, Inc. 4 Irving Place, New York, New York	New York	C 135467	100	NO	Common
Chesapeake Corp. of Virginia West Point, Virginia	Virginia	N 2	100	5	Common
The Chesapeake and Ohio Railway Company Richmond, Virginia	Virginia	201241	100	25	Common
Chrysler Corporation 341 Massachusetts Avenue Detroit, Michigan	Delaware	D 7933	100	250	Common
Gilbert Peabody & Company, Incorporated 433 River Street Troy, New York	New York	35389	100	NO	Common
Consolidated Natural Gas Company 30 Rockefeller Plaza New York 20, New York	Delaware	O 29676	12	15	Capital
		O 185084	88	15	Capital

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Re: Stock owned by and debts owing to Kurt Schmieder

EXHIBIT A

Name & Address of Issuer	State of Incorporation	Certification Numbers	Number of Shares	Par Value	Type of Stock
General Electric Company 1 River Road Schenectady, New York	New York	NYC 827572	100	NO	Common
General Motors Corporation 3044 West Grand Blvd. Detroit, Michigan	Delaware	D 679-606 E 503-875	100 1	10 10	Common Common
Goodyear Tire & Rubber Company 1144 East Market Street Akron 16, Ohio	Ohio	NC 45171 NC 49172	100 100	NO NO	Common Common
International Silk Company Scranton 2, Pennsylvania	New Jersey	N 12576	100	NO	Capital
Kennecott Copper Corporation 120 Broadway New York 5, New York	New York	C 407050	100	NO	Capital
Phillips Petroleum Company 80 Broadway, New York, New York	Delaware	313111 313112	100 100	NO NO	Capital Capital
Sears, Roebuck and Co. [illegible] South Homan Avenue [illegible], Illinois	New York	N 198676	100	NO	Capital
[illegible] Standard Oil Company [illegible] Rockefeller Plaza [illegible] York, New York	New Jersey	CC 328725 CC 509467 CC 170428 B 607962 CC 757035	71 5 29 100 5	25 25 25 25 25	Capital Capital Capital Capital Capital
[illegible] exas Company [illegible] 42nd Street [illegible] York, New York	Delaware	404366 TC 365607	100 2	25 25	Capital Capital

[illegible]

Re: Stock owned by and debts owing to Kurt Schmieder

EXHIBIT A

Name & address of Issuer	State of Incorporation	Certificate Numbers	Number of Shares	Par Value	Type of Stock
Union Pacific Railroad Company 15th and Dodge Streets Omaha 2, Nebraska	Utah	C 11303/4	100 each	50	Common
F. W. Woolworth Company Woolworth Building New York 7, New York	New York	W/O 263716	100	10	Capital

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PLAINTIFF

PLAINTIFF'S EXHIBIT 3 - DEFENDANT'S REPLY MEMORANDUM E9

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

JUL 1 - 1975

41

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - - - - - - - - - - - - - - - -X

KURT SCHMIEDER,

Plaintiff,

-against-

HELEN B. DWYER,

Defendant.

- - - - - - - - - - - - - - - - - - - -X

Civil Action File
No. 69-1939

DEFENDANT'S REPLY MEMORANDUM

This short reply brief is submitted in response to plaintiff's answering brief.

The cases cited in plaintiff's brief, where they are applicable, demonstrate the correctness of defendant's position. The quote from Taylor v. Hotchkiss at page 2 of plaintiff's brief is really dispositive of the claim here. "It has been held that a mere obligation of morals or conscience, entirely disconnected with and having no origin in

any legal or equitable obligation, would not be sufficient to operate even as a consideration for a promise or agreement." Passing the question of the existence of any moral obligation which defendant vigorously denies, this quote sets forth defendant's position. All the complaint alleges is a moral obligation in no way connected with or having an origin in a legal or equitable obligation and therefore the claim does not set forth a cause of action.

Similarly, the allegation in paragraph 9 that there was a promise to preserve a moral obligation can rise to no higher level and remains merely a moral obligation which under the law is not enforcible.

Plaintiff's brief itself reveals his recognition that this is the law. The brief repeatedly refers to what is now termed a "property interest" in the gift to defendant. In the complaint however, it was simply a moral interest in the gift. This shift of language does not lend any more validity to the claim: the claim is, it is submitted, invalid as seeking to enforce a moral obligation regardless of plaintiff's attempt to constitute himself as the holder of some kind of property interest.

Plaintiff also raises the point that he had made a mistake in relying upon the representations of his prior

attorney. But no mistake is alleged in the complaint and moreover the brief does not demonstrate any such mistake. On the contrary, the complaint alleges that plaintiff was told by his then attorney that this gift to defendant was impregnable at law. No plainer words could have been used. There was no mistake nor were there any misrepresentations. Indeed plaintiff intended this to be an absolute gift and he sought the assurance that it would be impregnable at law because he was fearful of what the Nazi authorities would do to him if they learned he had assets outside of the country.

Plaintiff then takes the position in the brief that this was not really a gift because there were other people to whom he would rather have given the gift. The complaint does not set this forth but just as plaintiff is bringing in matters outside the complaint it is submitted that defendant may also do so. The fact is that plaintiff did have relatives here in the United States at that time and they all for various reasons refused to accept this gift. Defendant herself was reluctant to accept it. Considering the climate of the times this is certainly understandable. Not only was there the stigma of dealing with a German citizen but also, there was the probability of a lawsuit by the Alien Property Office which was in fact brought against

defendant. Further, for plaintiff to have made this gift to relatives might have aroused Nazi suspicions.

Lastly plaintiff requests leave to replead if this motion be granted. It is submitted that not only should the complaint be dismissed but also that no leave to replead should be permitted. Nowhere does plaintiff set forth any indication of what he would plead if leave were to be granted. Obviously he could not deviate from his claim that this was merely a moral obligation, which as previously set forth fails to state a claim upon which relief can be granted.

Respectfully Submitted,

OWEN & TURCHIN
Attorneys for Defendant
Helen B. Dwyer

2/9/50

DEFENDANT'S EXHIBIT E - LETTER OF BOCHMAN TO DWYER DATED MARCH 15,1938

Viale S. Salvatore 12,
Lugano, Switzerland
March 15 , 1938. E13

Mrs. Helen B. Dwyer,
105 Broadway,
New York City.

Dear Mrs. Dwyer:

I am the owner of the outstanding stock of Stoneleigh Corporation, a corporation organization under the laws of Delaware, consisting of 500 shares. Stoneleigh Corporation is also indebted to me in the total amount of $23,294.45 for cash advanced by me to it. I wish to make an absolute gift to you of both my stock in the said corporation and of my claims for advances against it, subject, however, to the payment by you of all taxes which may properly be chargeable to me under the laws of the United States of America, such as gift taxes or otherwise. I am instructing my attorneys, Messrs. Putney, Twombly & Hall, to cause the transfer of the said stock into your name and have instructed the said corporation to place the monies due me on account for advances at your disposal, subject to the application of the said monies to whatever extent may be necessary to the payment of any and all gift taxes which may accrue pursuant to the laws of the United States of America. My said attorneys will make delivery to you of this property in my behalf, and you are to accept it as an absolute gift to do with as you may see fit.

Very truly yours,

Lewis Bochman.

DEFENDANT'S EXHIBIT F - LETTER OF BOCHMAN TO PUTNEY, TWOMBLEY & HALL DATED MARCH 15, 1938 E14

2/9/70

Viale S. Salvatore 12
Lugano, Switzerland

March 15, 1938

Messrs. Putney, Twombly & Hall,
165 Broadway,
New York City.

Gentlemen:

I desire to give as an outright and absolute gift to Mrs. Helen B. Dwyer my holdings of stock of Stoneleigh Corporation and my claims for advances to said corporation in the amount of $23,294.45. I have instructed the said corporation to place the monies represented by said advances at the disposal of Mrs. Dywer. I authorize, empower and direct you, employing the power of attorney which I have delivered to you for that purpose, to cause my said stock in Stoneleigh Corporation to be transferred into the name of Mrs. Dwyer, and certificates therefor delivered to her absolutely, subject, however, to the payment of all transfer and gift taxes which may be or become payable by reason of such gift and transfer. You are to require that out of the property so transferred sufficient be reserved and applied to the payment in full of all such transfer and gift taxes, and you are authorized, directed and empowered, in my behalf, to make and file all such returns, reports, etc., as may be required under the laws of the United States in connection with such gift and transfer, and to make, execute and deliver, as my attorneys in fact, all such instruments and writings as may be necessary to carry out the transfer of my said property to Mrs. Dwyer.

Very truly yours,

Irma Bochmann

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLUMBIA

PLAINTIFF'S EXHIBIT 13 - SETTLEMENT IN DWYER V. MCGRATH, USDC, D. OF C. DATED OCTOBER 25, 1950 E15

MRS. HELEN B. DWYER,

Plaintiff,

v.

J. HOWARD McGRATH, Attorney General of the United States,

Defendant.

Civil Action No. 1182-'49

STIPULATION

IT IS HEREBY STIPULATED and AGREED by and between the attorneys for the respective parties hereto that the above-entitled action be settled and dismissed upon the following terms and conditions:

1. The plaintiff shall receive fifty-five per cent in value of the property now held by the Attorney General pursuant to Vesting Order No. 12528, less appropriate sums to be withheld for the purpose of covering plaintiff's income tax liability for the calender years 1949 and 1950, and fifty-five per cent of the conservatory expenses incurred in connection with the vested property while held by the Attorney General.

2. For the purpose of effecting the settlement described in Paragraph 1, it is agreed that the vested securities shall be valued on the basis of their closing prices on the appropriate stock exchange at the close of business on May 7, 1951, and that as to securities not traded on that date or not listed on any stock exchange, the value shall be determined on the basis of the mean between the bid and asked prices as of the close of business on May 7, 1951. It is further agreed that all cash received by the Attorney General or the Office of Alien Property with respect to such securities up to and including the close of business on May 7, 1951, shall be divided in the manner described in Paragraph 1; all cash received after that date shall be paid to the respective parties in accordance with

the division of securities set forth in Paragraph 1.

3. In order to effect the settlement as set forth in Paragraph 1, the Attorney General will deliver to plaintiff in proper form for transfer of record to plaintiff the following securities:

Securities	Agreed Value
100 Amer. Ag. Chem.	$ 5,675.00
100 Amer. Can	11,337.50
200 Amer. Viscose	12,400.00
250 Botany Mills 5% Pfd.	3,718.75
300 Botany Mills 6% Pfd.	6,150.00
100 Chesa. Va.	3,375.00
100 Chrysler	7,787.50
100 General Electric	5,587.50
200 General Motors	10,650.00
200 Goodyear T & R	12,700.00
200 International Salt	7,250.00
100 Kennecott Copper	4,725.00
100 Phillips Pet.	8,475.00
100 Standard Oil N. J.	11,287.50
100 Texas Company	9,925.00
200 Union Pacific	21,400.00

The following securities will be retained by the Attorney General:

Securities	Agreed Value
100 Allied Mills	3,287.50
100 Allis Chalmers	4,537.50
105 Amer. Can	11,904.37
100 Amer. Gas & Electric	5,362.50
3 Amer. T & T	468.37
100 Amer. Tobacco	6,500.00
14 Atlantic City Electric	287.00
100 Borden	4,775.00
1900 Botany Mills 5% Pfd.	22,312.50
875 Botany Mills common	8,312.50
400 Botany Mills 6% Pfd.	8,200.00
25 Chesa. Va.	843.75
100 Chesa. & Ohio	3,312.50
100 Chratt-Pea.	3,412.50
100 Cons. Edison N. Y.	3,112.50
100 Cons. Nat. Gas	4,950.00
2 General Motors	106.50
100 Phillips Pet.	8,475.00
100 Sears-Roebuck	5,662.50
114 Standard Oil N. J.	13,365.75
2 Texas Company	198.50
½ Texas Company	49.63
100 Woolworth	4,487.50

Since the total value of the securities to be delivered to plaintiff as set forth above, valued as provided in Paragraph 2, is $149,843.75, whereas fifty-five per cent of the total value of the securities is [illegible].19, the difference, namely, $393.44 will be paid plaintiff out of the portion of the cash receipts retained by the Attorney General.

4. The cash receipts allocable to the property which is the subject of this action as recorded on the books of the Office of Alien Property as of March 31, 1951, total $61,592.19. The Attorney General will pay the plaintiff out of this sum fifty-five per cent thereof, namely, $33,875.70, less $5,876.32, covering plaintiff's agreed income tax liability for the years 1949 and 1950 on income received hereunder, and less $692.04, constituting fifty-five per cent of the conservatory expenses of the Office of Alien Property to and including January 31, 1951, leaving a balance of $27,307.34. To this will be added the sum of $893.44, referred to in Paragraph 3, making a total initial payment to plaintiff of $28,200.78.

5. As soon as practicable after the making of such initial payment to plaintiff, the Attorney General will pay to plaintiff fifty-five per cent of all cash received during the period from April 1, 1951 to May 7, 1951, inclusive, less fifty-five per cent of the conservatory expenses of the Office of Alien Property with respect to the vested property for the period from February 1, 1951 to May 7, 1951, inclusive.

6. It is further agreed that all cash, securities, or other property received by the Attorney General after May 7, 1951, with respect to any of the securities so to be delivered to plaintiff, in accordance with Paragraph 3 hereof, whether as dividends, options, rights, or otherwise, shall be turned over and delivered to plaintiff as soon as practicable.

7. It is agreed that the securities described shall be delivered and the payments specified herein made by the Attorney General as soon after the signing of this stipulation as is practicable, provided that the Office of Alien Property shall have received and approved an appropriate schedule under Section 20 of the Trading with the Enemy Act, as amended, covering the aggregate of attorneys' fees to be paid with respect to the recovery of the property involved herein. It is further agreed that plaintiff will execute appropriate receipts for the securities and cash received.

8. Upon the delivery of the securities and the making of the payments herein specified, plaintiff will cause the above-entitled action to be dismissed with prejudice and will execute an appropriate notice to the defendant to that effect. Plaintiff will also withdraw all claims now pending in the Office of Alien Property for the return of any property involved in this action. It is agreed that this settlement, as consummated, shall be in full satisfaction of all claims of the parties hereto against each other arising out of this action and all claims of plaintiff against the Attorney General or any other officer or agency of the United States under the Trading with the Enemy Act, as amended.

Dated: August , 1951

CUMMINGS, STANLEY, TRUITT & CROSS

By _____

Attorneys for Plaintiff

Harold I. Baynton
HAROLD I. BAYNTON
Assistant Attorney General

James D. Hill
JAMES D. HILL

Attorney

Harry C. Baum

Department of Justice
Washington, D. C.

Attorneys for Defendant

NY 5-2470
EXHIBIT "E"

PLAINTIFF'S EXHIBIT 28- AFFIDAVIT OF LOUIS H. HALL, SR., DATED DECEMBER 8, 1942 E19

STATE OF NEW YORK)
)ss
COUNTY OF NEW YORK)

LOUIS H. HALL, being duly sworn, says:

I am an attorney at law of the State of New York and a member of the firm of Putney, Twombly & Hall, attorneys at law of No. 165 Broadway, New York, N. Y. I have been questioned by Mr. John J. Nukits of the United States Treasury Department, representing the Foreign Funds Control of 233 Broadway, New York City, with respect to a gift made in March 1938 by Jenny Bochmann of Lugano, Switzerland, to Mrs. Helen B. Dwyer, who is in the employ of my firm. After having responded to inquiries of Mr. Nukits, he has asked me to put my statements into the form of an affidavit and this affidavit is made in compliance with that request.

My connection with the matter had its beginning as follows.

In the Summer of 1935 I was in Europe for my health and while in Germany visited for a few days with my wife at the house of an old friend and client whom I have known for many years. While I was there a visitor called one day, who I understood to be a German, resident in Germany, and in conversation which ensued he asked me questions regarding the laws of the United States concerning corporations formed to hold securities. These questions related particularly to American taxation, both Federal and State. According to the best of my recollection there was at that time no mention of the particular securities which were in the mind of the questioner, but the inquiry was general as to the tax obligations involved in the forming and maintenance of such a corporation. To the best of my recollection an amendment to the tax laws was already in prospect in the United States so that I could only give the most general sort of information as to what would be involved in the formation of such a corporation. Nothing further occurred in connection with this matter until late in the Fall of 1938, to the best of my recollection. I was informed by the friend above mentioned, who had returned to the United States (and who, by the way, is Mr. William Graupner, whose domicile is Southbury, Connecticut, and who has a winter address in New York City at 1170 Fifth Avenue) that it was desired that I should form a holding corporation to take over securities then held by The New York Trust Company for account of Jenny Bochmann, a Swiss citizen resident at Lugano, Switzerland. I accordingly proceeded to cause such a corporation to be formed under the laws of the State of Delaware under the name of Stonelaigh Corporation and prepared the necessary documents requiring the signature of

Jenny Bochmann, as the owner of the securities, to cause their transfer to the corporation in exchange for stock of the corporation. I have myself been ill and absent from my office for several months, but am informed that Mr. Wuhits has been shown the corporate records of Stoneleigh Corporation and has taken copies of these documents. Mrs. Bochmann continued to hold the stock of Stoneleigh Corporation and to receive income in the form of dividends upon this stock, and to make payment of taxes accruing, until the making of the gift to Mrs. Dwyer. By written instruction to the corporation dividends on her stock were paid to my firm as her attorneys and thereafter, by her written instructions the amounts remaining, after payment of taxes, were put into the corporation for account of Jenny Bochmann.

To the best of my recollection it was in the Spring of 1937 that I was first informed that Mrs. Bochmann desired to dispose of her holdings in the Stoneleigh Corporation, but it was not until the late Fall or early Winter of 1937 that definite instructions were given me. I was then told to prepare the necessary papers for her to make an absolute and outright gift of the stock to Mrs. Dwyer and these papers I prepared and caused to be forwarded to her in Switzerland. They consisted of a notification to Mrs. Dwyer of her desire and intent to make the gift and instructions to the company to the same effect, and an instruction to me or my firm, in Mrs. Bochmann's behalf, to take all steps necessary to carry out the transaction, seeing to it that there should be retained out of the gift sufficient funds to discharge all gift and other tax liabilities of Mrs. Bochmann whatsoever. The transfer of the stock of Stoneleigh Corporation to Mrs. Dwyer was made under a stock power of attorney executed by Mrs. Bochmann. The transaction was completed on or about the 20th day of March 1938 and Mrs. Dwyer, immediately upon receipt of the stock of Stoneleigh Corporation caused that corporation to be dissolved and took possession of the property of the corporation. She duly made her information report under the tax law as the donee of the gift and, as the attorney in the matter, I caused a gift tax return to be executed by Mrs. Bochmann's attorney-in-fact under a tax power of attorney and duly filed and the gift tax paid.

Mr. Wuhits questioned me with regard to the naming of Mrs. Dwyer as the donee of the gift and asked why I did not take it myself. My answer as to why I did not take it myself is that it seemed apparent to me that the proposed donor was in some sort of distress. For example, I knew that German laws have become increasingly severe in the case of foreign owned property or foreign property in which there appeared to be any German interest, and while I had no knowledge whatever as to the source of Mrs. Bochmann's title to this property there was enough to make

it appear possible that there had at some time been a German interest in the property. At all events, having acted as her attorney I was not interested in taking any personal advantage out of whatever circumstances might be leading her to get rid of her property. As to the selection of Mrs. Dwyer, my answer was that since the owner was determined to get rid of the property and knowing her character and past experience I would be glad to see her become the beneficiary of the gift. I have to depend upon memory as to dates with respect to what took place prior to the making of the gift because I had practically no direct communication with Mrs. Bochmann. I prepared such instruments as seemed necessary to carry out what I understood to be her intention and forwarded them to her and when she signed and returned them to me I acted in accordance with the instructions given.

Mr. Wukits asked me with regard to the nationality and race of Mrs. Bochmann, whether she was Jewish and how her Swiss citizenship was derived. My information on this subject is all hearsay and is as follows.

I have no knowledge whatever whether or not she is Jewish. I have been informed that she was once married to a German and has a son by that marriage who resides in Germany. I have been informed that thereafter she was divorced from that husband and married a Swiss. Whether her Swiss citizenship is by birth or through that marriage I do not know. I never met Mrs. Bochmann until my representation of her had ceased. In 1939, while traveling in Europe I was in Switzerland and called on Mrs. Bochmann. The gift tax return which had been forwarded to her for her signature she had not signed but, as stated above, the return had been signed by an attorney under her tax power of attorney. When I called upon her she practically refused to discuss the matter, saying that she had parted with all title and interest in the property and would have nothing more to do with it. She did say that she had a son in Germany and would not risk his welfare by any action with respect to the property and that in a pending litigation in Switzerland she had already made oath as to what her property consisted of and that she had excluded this property from the list and would have nothing to do with it.

Mr. Wukits asked me if Mrs. Bochmann expected to get her property back. I told him I had no reason to suppose that she did. I do know that at the time when it was proposed that Mrs. Dwyer be the donee it was very specifically stated that under no circumstances would she accept the gift with any sort of string attached to it whatever, but that if the gift were made to her it should be her absolute and sole property to dispose of freely as she might see fit and it was upon the basis of such a gift that the documents to put it into effect were prepared and forwarded to Mrs. Bochmann. Mr. Wukits asked me why Mrs. Bochmann could not have put her Stoneleigh stock into the name of some one here and thereby protected herself. I told him that I did not

think she could successfully have concealed an actual ownership here in that manner but that at all events her desire and actual intention as expressed to me was to make an absolute gift of the property and divest herself of all interest in it.

With reference to the filing of Form TFR-300 by Mrs. Dwyer I told Mr. Wuhits that when the requirement for making such reports was proclaimed I advised Mrs. Dwyer that in my opinion, in view of the circumstances concerning the gift to her which I have outlined above, it would be advisable for her to consult counsel theretofore unacquainted with her and with any other of the actors in the transaction and place the facts fully before him and take his advice. This she did and under such advice and for the reasons set forth therein she filed a report on form TFR-300 giving notice of the facts and asserting her own unconditional title to the property.

(Signed) Louis H. Hall

Sworn to before me this
8th day of December, 1942.

(singed) Ralph D. Lovelace
Notary Public, Queens County, N. Y.

TREASURY DEPARTMENT

Foreign Funds Control

2A

CONFIDENTIAL

IN RE:

MRS. HELEN B. DWYER

Application No. NY-594698,
For Unblocking

Met, pursuant to notice,
10:30 a.m.
August 4, 1943,
Room 509, Sloane Building,
Washington, D.C.

APPEARANCES: Mr. T.H. Carolan, Office of the General Counsel,
Mr. G.F. Hazard, Foreign Funds Control,
For the Treasury Department.

Mrs. Helen B. Dwyer,
Mr. Louis H. Hall,
Mr. William Graupner,

Mr. Lemuel Skidmore,
165 Broadway,
New York, New York,
Counsel.

Reporter: Adelaide H. Miller.

Mr. Carolan: (Off the record discussion.)

The applicant, Mrs. Helen B. Dwyer, by her application No. NY 554696 has requested this hearing to have her funds unblocked. She and any other witness who may testify, are hereby advised that the testimony will be given and received in connection with the Executive Order 8389, as amended, and subject to the penalty clause thereto pertaining as to false statements. They are further advised that they may refuse to answer any question, the answer to which may tend to incriminate them. They are further advised that everything they may say at this hearing may be used against them

Mr. Skidmore: Will we get a copy of the minutes?

Mr. Carolan: Yes you may when they are prepared.

Mr. Skidmore: We would like to have a copy of any record that is made. We have no objection of going as far as you like into the thing, but we would like to have a copy of the report.

Mr. Carolan: (Off the record discussion)

Mr. Skidmore: We are making a formal application for copy of the minutes of the hearing, to be sent to me, Lemuel Skidmore, at 165 Broadway, New York City.

Whereupon

LOUIS H. HALL

was examined and testified as follows:

EXAMINATION

By Mr. Carolan:

Q: Mr. Hall, you are an attorney practicing in New York?

A: Yes.

Q: What is the name of your firm?

A. Putney, Twombly & Hall.

Q: Do you know Jennie Bochmann?

A: Yes.

Q: How long have you known her?

A: Met her once in my life.

Q: When was that and where?

A: In the spring of 1939 in Lugano, Switzerland.

Q: Had you prior to that time had any correspondence with her?

A: Yes.

Q: Will you tell us the beginning of the correspondence and what it concerned?

A: To the best of my recollection, I think I received a cable from her in 1935 asking me to expedite the formation of a corporation to take over holdings which she had in the New York Trust Company. And the next, as I recall, that I believe I had, I prepared some instruments and mailed them to her for signature by her and they were returned to me by mail. After that I prepared a form of order to be signed by her with respect to the dispostion of dividends on the stock of this company which I had formed at her instruction.

Q: What was the name of the corporation?

A: Stoneleigh Corporation. And, I believe, that the next -- I don't recall having anything more from her. I afterwards sent her a form of ratification of the gift tax return filed in her behalf by her attorney, tax file attorney, in connection with the gift to Mrs. Dwyer of the stock of the Stoneleigh Corporation. That just about summarized all my communication with her.

Mr. Skidmore: Judge, didn't you send these letters here?

A: Oh, yes, that is right. In connection with the formation of the Stoneleigh Corporation I forwarded to her for her signature, and she signed and returned to me, the necessary, what I deemed to be the necessary documents to provide for the transfer by her to the Stoneleigh Corporation of securities and cash which she had on deposit with the New York Trust Company in a custodian account, and the issuance of the stock to the Stoneleigh Corporation to her in exchange for that. That was in 1936.

Mr. Skidmore: You said the gift tax return but you didn't mention the letters making the gift.

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A: Didn't I?

Mr. Skidmore: I don't think so and that was the main thing.

A: Sometime prior to March 15, 1938, I prepared and sent to Mrs. Bochmann three writings, one addressed to Mrs. Dwyer notifying her of her desire to make absolute gift to her of her stock in the Stoneleigh Corporation, and the claims for advances to the Stoneleigh Corporation by Mrs. Bochmann, a letter addressed to my firm instructing us to do everything necessary to carry out the gift and pay the taxes, and so forth. A letter addressed to the Stoneleigh Corporation advising them of the same thing. Those were mailed by me to her, to the best of my recollection, mailed by my office and received back by mail.

Mr. Skidmore: Three letters dated March 15, 1938, of which copies have already been delivered to the investigators.

A: Yes.

Mr. Skidmore: If you wish to see the originals, we have the originals here.

Mr. Carolan: (Off the record discussion.)

Mr. Hall: I produce and hand you the photostatic copies of the three letters just referred to, to be marked as Exhibits 1, 2 and 3. (Exhibits 1, 2 and 3, attached and made a part of this record.)

By Mr. Carolan:

Q: In the letter from Mrs. Bochmann to you, dated March 15, 1938, to your firm, she refers to a power of attorney which you had. Will you tell us whether that power of attorney has been revoked?

A: It has been exhausted. That was a stock power in connection with her stock in the Stoneleigh Corporation. And, it ran to the best of my recollection, to Mr. Herman Graupner who was the president of Stoneleigh Corporation. I never had any power of attorney from Mrs. Bochmann other than these letters may constitute a power.

Q: Did you have any correspondence prior to March 15, 1938, in which she directed you to make this gift.

A: No.

Q: How was the information conveyed to you that she wanted to make this gift?

A: Mr. Graupner told me.

Mr. Skidmore: Mr. William Graupner.

Q: And it is your understanding that Mr. William Graupner had a power of attorney from Mrs. Bochmann?

A: No, I don't think so.

Mr. Skidmore: The power of attorney he spoke of was to Mr. Herman Graupner, who was the son of Mr. William Graupner. That is the confusion.

A: That is an ordinary form of power of attorney for the transfer of stock. You agent saw it when he examined the records of the Stoneleigh Corporation.

Q: How many shares of stock were issued in the Stoneleigh Corporation at the time of its incorporation, do you recall?

A: Only one issue to the best of my recollection, 500 shares of stock without par value and just for the money she had in the New York Trust Company.

Q: Who held the stock certificates?

A: They were in my custody.

Q: Did the corporation have a safe deposit box?

A: No, I think not. It had a custodian account with the New York Trust Company.

Q: Who is Herman Graupner? The son of William Graupner?

A: The son of William Graupner, yes. He was a law student.

Q: Now, you say you transferred the stock in the Stoneleigh Corporation from Mrs. Bochmann to Mrs. Dwyer at the instruction of William Graupner sometime during 1937, or prepared the papers to do so in 1937?

A: I caused the transfer to be made at the instruction of Mrs. Bochmann, but it was Mr. Graupner's instructions that I prepared the instructions for Mrs. Bochmann to give me.

Q: Did he give you any reason why she wanted to do that?

A: Yes. If you would like me to cover the story --

Q: (Interposing) If you would. (M)

A: I should be very glad to. It is more or less in the affidavit which you already have but I will -- in 1935, I had been ill and went abroad with my wife and took various tours and went different places and visited friends in Switzerland, France, and Germany. And, in Germany we stayed for two or three days at a residence which Mr. William Graupner has in a place called Eberdorf in Thuringia. While we were there, a man came claiming acquaintance with Mr. Graupner and I was introduced to him and was told that he wanted to ask about tax laws and laws in general in the United States with respect to a company to be formed to hold securities in the United States. He didn't at that time say whose securities he was talking about. I probably took it for granted they were his own, I don't recall about that, but I told him in a general way that it would be perfectly feasible to form a corporation, I think I guessed under the laws of Delaware, and issue the stock of that company for the securities and that the taxes would then be the Federal corporation taxes on a company which held the stock and the taxes against whoever received the income as the stockholder, but I told him that I was so far from the books, naturally, I don't carry the tax law in my head, and that furthermore our tax laws were being changed, we had started a new tax bill and I didn't know what it would be and I would report after I got home on the possibility and what it would involve in the way of money. That is as far as it went at that time. In the fall of that year, Mr. Graupner who had returned, told me that I was to go ahead with the formation of a corporation of that sort that we discussed with this man and that Mrs. Jennie Boehmann of Lugano, Switzerland was the person with whom I was to communicate and who had the securities. This is the general outline. I am not attempting to repeat exact words. This was five or six years ago. I then wrote to Jennie Boehmann saying that I had delayed doing anything before the date of the date of the letter, but there had been some tax proposals here which might have

made it too heavy a burden to do what we were proposing to do but I thought it could be done. After that, I got the cable which said "please expedite the formation of this corporation". So, I formed a corporation under the laws of Delaware, with no par value stock, and I think the authorized stock was more than 500 shares and there was some provision in the charter that additions could be paid in surplus or something of the sort. I used two young men in my office, one my own son, and the other young lawyer in my office and Mr. Graupner's son who was a law student and I think at that time employed in some other office. I used him because Mr. Graupner was the contact through which the thing had come and whoever owned this property, it would be natural to have his son as president of the company. That was done. I remember that I, in preparing the papers for her to sign making this over to the company, I had the question of whether or not I should have them acknowledged and I think there was no Consul nearer Lugano than Zurich and I went to the New York Trust Company and found they had the signature of Jennie Bochmann on file guaranteed by some swiss bank and I decided that inasmuch as the transaction involved instructions on their part, I got a signature that they recognized that. I prepared those papers -- do we have copies of those papers here?

Mrs. Dwyer: Yes, there they are.

A. It was a formal transfer. Yes, a letter to the New York Trust Company telling them to do what was necessary to put it into effect. The stock was issued in the name of Jennie Bochmann. That was in 1936. All done as of January 31, 1936. Thereafter, this was pretty much all income producing property and was in one to be declared and paid. I sent to Jennie Bochmann for authority to take care of the tax situation and to dispose of the money. We filed the corporation income tax reports and inasmuch as it was a personal holding company, it was necessary to declare out the income as dividends, in order to avoid a penalty tax for withholding.

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We declared the entire income to Jonnie Bochmann, paid her personal taxes, and by her direction, paid whatever was left back into the company as additional working capital. In other words, it was perfectly obvious it was a device to hold money here and accumulate it and that was the legal procedure, it was 1936 and 1937. Now, I can't remember what occasioned it, there was always delay about her signing things, I would send them over and it would take a long while. Anyhow, to the very best of my recollection, in the spring of 1937 Mr. Graupner came to me and said that Mrs. Bochmann wanted to be rid of this property. That conditions in Europe were such that she wanted to be rid of it at any price. At this point I can only surmise, I don't know anything about it. I do know that the person with whom I first consulted was a German. I didn't then know his relation to Mrs. Bochmann, I have since learned that Mrs. Bochmann is the sister of his wife. I also know because I had occasion to know through various other people that the German laws were requiring all Germans to report their holdings in foreign countries and that they were imposing exceedingly severe penalties. Anyhow, I was told by Mr. Graupner that Mrs. Bochmann wanted to be rid of this thing and asked what could be done. I said I don't see anything that can be done except to take the property back, there is no way I can suggest whereby she can retain ownership and conceal the fact of her ownership. I think at that point I should say -- I think, I won't be positive about it, that there had been a suggestion in the first instance that they could handle their own tax matters in Switzerland better if they didn't have listed securities owned here, where the tax authorities could check their values from the daily paper, and that if they had been in the name of a privately owned company it would not be so clear what the value was. Anyhow, in 1937, this question was raised what could they do with it. I said I know of no way that the ownership of the property can be retained and ownership concealed by persons living abroad and

I can make no suggestion whatever, and I finally said if they wanted to give it away and make it an absolute gift that they could always do. That was the situation. I left that with Mr. Gruppner. I told him I could make no suggestion other than let it stay as it was, take the property over and take it away, or else make an absolute gift of it. In the fall of 1937, Mr. Gruppner came to me and said that the owners had decided, he probably said Mrs. Hochmann I don't know, that they wanted to get rid of it at any cost and they were prepared to make an absolute gift of it. Naturally, there must have been quite some talk although I don't remember anything particularly what was said but that was the whole status of it. I said that no pretended gift, no cover up scheme, no gift with a string attached to it, with an understanding express or implied that it would be given back, would do any good. No American citizen could take property under those conditions and only if they were prepared to make an absolute gift, forget it forever, would I suggest anything or would I do anything. Then the question was who to give it to and I said Mrs. Dwyer, whom I had known for a long while, whom I had the highest respect for, and who had had the sort of life and experience that entitled her to a windfall and I suggested her, and eventually I was told they had decided to do that, give it to Mrs. Dwyer. I can't be too emphatic that I said under no circumstances will she touch or will I permit her to touch it, if at any time somebody would come and say well, it looked like a gift but it wasn't. After all that they told me to prepare the papers, which I did. They came back addressed to my firm, signed by her with her personal signature and the stock was transferred into Mrs. Dwyer's name. She had no occasion to bother with a holding corporation so she immediately had it dissolved and took the property. It is hers, of course, and I assume it is without any qualification.

Mr. Skidmore: And was a gift tax return filed?

A: Yes. I am glad you asked me that. Mrs. Dwyer made the donee's report of the gift. Herman Graupner had a tax power of attorney. In addition to this stock power he had a tax power; a power of attorney authorizing him to settle Jennie Bochmann's taxes. Acting under that tax power he signed -- I prepared and he signed, a gift tax return on behalf of the donor. But, as I understand that law while it is all right to file a return on behalf of the donor by an attorney in fact, ultimately the donor must ratify what the attorney has done and I sent a certificate of ratification with the copy of the return to Jennie Bochmann and it came back to me unsigned and no comment.

I could get nothing further out of her, so that, in 1939, when I was again going abroad with my wife, and incidentally, Mrs. Dwyer went along, I had to go to Switzerland anyway, I thought I would go to Lugano and see this lady and see if I could sell her the idea of signing the ratification inasmuch as she made the gift and was making me trouble with the tax authorities for not filing the application. I went there and saw her, told her why I had come. She said I will have nothing to do with it, I will sign no paper, I am through with that property, I will sign nothing. I tried to convince her that it didn't add anything to what she had done, what it was purely an informal act of ratification and I naturally tried to get some explanation and she assigned two reasons in addition to the one she was through with it anyhow, and one was she had a pending litigation, I took it to be a matrimonial case in Switzerland, in which she had made an affidavit or sworn statement of her property and excluded this property she had given to Mrs. Dwyer and she would sign no paper with respect to it. I tried to point out to her that was nothing because the transaction of gift had been done long since. She would not sign and the other reason she gave was the German laws with respect to failing to report property in which Germans had an interest. That naturally led to the supposition

(4)

that there had been a German interest in it, which, as a matter of fact I still have, and she told me she had a son in Germany and if it were known that property in which there had been a German interest had been concealed from the German authorities they would take it out on her son. And, to make the long story short, I spent an hour with her trying to persuade her to sign this thing because as I said, if the tax situation is left wide open there is a penalty and she simply said I will have nothing whatever to do with it. I might add that I had taken Mrs. Dwyer along down there on the theory that as this lady had given her such a windfall, she might be interested to see who she had given it to but after my talk with Mrs. Boehmann and she finally, practically arose and said this interview is ended, I gave up the idea of bringing Mrs. Dwyer along to meet her and she never met her.

Q: She indicated to you that in addition to a possible fine there might be other penalties meted out to this son for failure to report?

A: As I understood it and it was commonly reported, the law provided for execution.

Q: Did she indicate she had other property in the United States?

A: No.

Q: She didn't say anything about it either way?

A: No. I haven't the slightest idea on that subject.

Q: Did she say anything that would indicate that her son had any interest in this property at any time?

A: Nothing. Nothing has ever been said to me by anyone, either this German I first spoke of whose name I haven't mentioned --

Q: (Interposing) I wish you would --

A: I thought at the time that if he was doing it to keep from getting his

(17)

head cut off in Germany, but if you ask me and if you think it is important I will give it although I never really acted for him as a lawyer. He consulted me as a lawyer. At the time when he talked to me I thought if I did anything in the formation of this company I would do it for me. As it turned out I did it for Jennie Bochmann. I had no occasion to remit him a bill. At the same time, I felt what he said to me was said as to an attorney and he might be a client. For that reason, I haven't mentioned his name but if you ask me I don't wish to conceal anything.

Q: Did Mrs. Dwyer consult you with reference to the question as to whether or not she should file a TFR-300 report?

A: Yes, she did. We certainly talked about it. And, you want to know what I said to her? I said I don't like to take the responsibility of telling you. In my judgment you have a clear title with no strings to it. But, on the other hand, you must remember all the time there was no question of a war back when this thing happened. On the other hand, as you know human nature if the time comes when everything is wide open in Germany and they have a civilized government instead of a government that cuts peoples' heads off, this lady, or whoever she represents if

(11)

it isn't her own property, is quite likely to come and say well, of course, yes, I gave you this property but I was in distress at the time and you surely didn't think I would not expect you to do something for me. I think that is to be anticipated. Here you are with a law that says you have to report property held for a foreign national and while you and I are both clear in our minds as to your title, some government official charged with the duty of investigating it if this lady shows up three or four years from now and makes the claim that she didn't really intend it that way, that we must have been able to understand she was trying to protect herself, it will raise a question. My own view is that I would report it claiming it as mine, of course, but telling the authorities the facts so they may make their investigation now. But, I said, I would rather you consulted a lawyer, a competent lawyer who don't know you or me or anybody connected with the thing. Take his advice and she did that and he advised her to file a report which she did file, which was prepared under his supervision.

Q: (Off the record discussion.)

A: I was born June 5, 1875 at Naugatuck, Connecticut. I got through enough schooling to be a member of the Bar. I have been practicing since 1900.

Mr. Carolan: Do you have any questions, Mr. Hazard?

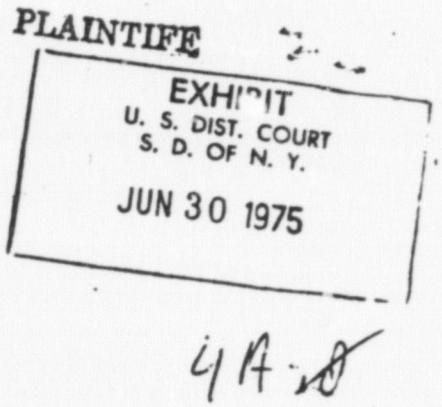
Mr. Hazard: No.

Mr. Carolan: I believe that is all for the time being at least.

Thank you.

(Witness excused.)

PLAINTIFF'S EXHIBIT 4A - WILLIAM GRAUPNER 8/4/43 APC TRANSCRIPT



4 A-28

EXAMINATION OF MR. WILLIAM GRAUPNER

By Mr. Carolan:

Q. Your name is William Graupner?

A. William Graupner.

Q. And you have been present during the hearing this morning and heard Mr. Hall testify with reference to the Stoneleigh Corporation, the gift by Mrs. Bochmann to Mrs. Dwyer of the stock in that corporation, and its dissolution?

A. I heard every word of it and confirm it.

Q. Mr. Graupner, you are an American citizen?

A. Yes.

Q. A native born?

A. No. Naturalized.

Q. Where were you born and when?

A. I was born in Greiz, Germany, 1869 -- June 29.

Q. When did you first meet Jennie Bochmann?

A. I never met Jennie Bochmann. I have never seen her.

Mr. Skidmore: (Off the record discussion).

By Mr. Carolan:

Q. You have know the brother-in-law of Mrs. Bochmann who has been described as an unnamed German citizen here at this hearing?

A. Yes.

Q. And how long have you known him?

A. A number of years before this matter came up. How many years I don't know, 10 years perhaps.

Q. Would you tell us as much as you can about the transaction that we have been discussinf here this morning and the part you played in it?

A. Yes. This man came to me in 1934 and said -- asked me

whether I would not be of some assistance to his relative, Mrs. Bochmann, who had a custodian account in the New York Trust Company and some correspondence connected with it. I said if it only concerns correspondence I will do so, there was never much during this year. The following year this man came again and had this concersation with Mr. Hall about forming the corporation and in the fall, when I returned to the United States, he asked me to request Mr. Hall to do the necessary to form that corporation.

Mr. Skidmore: That is, Mr. Graupner, before you came back?

A. He told me to tell Mr. Hall when I got here. He came asking me that because he knew I would see Mr. Hall and I did so. The corporation was formed the following spring or so.

Q. Did you have any correspondence with this party concerning this transaction at any time?

A. You mean with this German party? No, not at all. It was all done by word of mouth.

Q. And in Germany?

A. In Germany, He came to me, sometimes I passed through his little village or city and I saw him just for a short time.

Q. Did he claim to have a power to act for his sister-in-law, Mrs. Bochmann?

A. No, he did not. I suspected a large part of the holdings of Mrs. Bochmann were his own but he didn't go into that detail but it did become apparent that it was largely his own.

Q. When was that disclosure?

A. I could not tell you. That was during the time the Stoneleigh was in existence.

Q. Would you tell us something of that conversation in which he disclosed he was the owner?

A. We asked him to supply the bills of purchase for certain securities which perhaps might have to be sold and would be able to lend proper value of purchase or sale and eventually, gain or loss. We needed those purchase bills. It took sometime before we got them but we did get a few of those purchase bills, and that indicated in my mind he was the owner of the property, or a large share.

Q. Do you have those purchase bills now?

A. I believe so, I believe they are in the records of the Stoneleigh Corporation.

Q. Do you recall at this time what portion or percentage of the assets this unnamed German owned in the assets?

A. I know no details.

Q. Was it a substantial amount?

A. I don't know how much he owned or the other party owned. I know he spoke about it. He didn't disclose what was his or hers.

Q. Did he ever say anything that would indicate that there might be a third party as an owner?

A. I could not recall now.

Q. At this time you have no assurance that this property was owned only by Jennie Bochmann and this unnamed brother-in-law of hers?

A. I took it that way.

Q. And what do you base your opinion on that it belonged to those two?

A. Well, they were the only persons who had anything to do about it. He was the only man who spoke to me and he said he had an interest.

Q. At that time he was talking to you where did Mrs. Bochmann live?

A. I presume in Lugano. I did not see her.

Q. Mrs. Bochmann has, or had, a son living in Germany at that time?

A. So I understood. I did not know him. I only know that from hearsay.

Q. Does this man of whom you spoke have other property in this country at this time?

A. I could not answer that. I don't know.

Mr. Skidmore. (Off the record discussion)

Mr. Hall: (Off the record discussion)

By Mr. Carolan:

Q. After the corporation was formed, you were told by Mrs. Bochmann's brother-in-law that she wanted to make a change in the ownership of the corporation, is that correct?

A. The way he expressed it was that she was reluctant to have anything to do with it anymore and it became evident here since she didn't sign certain papers, or the return of certain papers were very much delayed.

Q. Could you give us in more detail some of that conversation?

A. Well, I explained to him again that I had absolutely no interest in the matter and didn't want to have anything to do with it. It was up to him to find the solution. That I had discussed it with Mr. Hall before leaving, that Mr. Hall told me the only way out of it he could see was an outright gift to someone.

Q. And what had he wanted you to do prior to the time you talked to Mr. Hall?

A. He didn't have any definite question for me because he knew I absolutely didn't want to have anything to do with it and could not involve my own affairs with others. That was in the spring of the year

after I arrived abroad. In the fall before I left he saw me again and told me to request Mr. Hall to draw up such papers as were necessary and he had come to the conclusion to make a gift. He left it to me and Mr. Hall to decide about the person to receive such gift.

Q. Going back to the first conversation you had with him with reference to changing the situation over here from that of being a corporation in which the assets were earning moneys and the dividends were being reinvested, that had been going along for a year or two then. He wanted to make some change, what was that change?.

A. The change was that he had no one to take care of the property since Mrs. Bochmann declined to have anything more to do with it.

Q. He had a corporation over hre, fully officered at the time and they were making money on the property, weren't they?

A. That is true, but I presume, I don't know, I did't go into any further details with him except to tell him how the situation was and he knew Mrs. Bochmann declined to have any connection with the matter. She was the owner of the shares.

Q. Did he tell you what Mrs. Bochmann's reason was for --

A. (Interposing) No.

Q. -- declining to act further?

A. No. They may have been personal reasons, I don't know.

Q. Did he ask you to inquire as to whether or not Mrs. Bochmann could make an assignment to someone in this country with a provision it could be held in trust for him?

A. No. As I told him everything had to be done in proper legal way and he requested Mr. Hall to do so. In the fall, before I left he came to me with that request.

Q. You recall Mr. Hall saying this morning that he had advised you that any transfer of ownership had to be an outright gift?

A. Absolutely.

Q. Now, was there some question that there be a transfer of nominal ownership with the beneficial ownership--

A. (Interposing) Now, he did not, because I was very emphatic in telling him that it had to be done in this way, the gift had to be outright with no strings attached to it and it left no question open. To that they agreed.

Q. That was after you talked to Mr. Hall?

A. Yes, I talked to Mr. Hall in the spring so I would be informed to tell him exactly what Mr. Hall told me that that was the only possibility.

Q. Well, before you had talked to Mr. Hall in the spring, he must have suggested that you inquire as to what other possibilities might be open, didn't he?

A. No. At that time it was evident that Mrs. Bochmann gave no more-- or, I believe even she wrote at the time that he would sign no more papers, something like that.

Q. To whom did she write that?

A. I believe she wrote it to me.

Q. Do you have that letter?

A. I really don't know that is so long ago. All subsequent developments confirmed that that was so.

Q. Did she indicate in the letter that the stock which was issued by the Stoneleigh Corporation was issued in return for securities which wereowned by her brother-in-law?

A. No, I have no such information or no such correspondence. I didn't correspond very much with her except to request whatever the bank required.

Q. When you told Mrs. Bochmann's brother-in-law that only an outright gift would relieve Mrs. Bochmann of any further connection

with the corporation, what did he say?

A. He would think it over. That was in the spring of the year and I told him emphatically there was no possibility of having any strings attached to it. That precluded any further question.

Q. And he finally agreed to that in the fall?

A. He came in the fall and said he saw no other way he could suggest and requested Mr. Hall to draw up the necessary papers. I could understand it because the laws, it meant a life imprisonment or penalty over there for not reporting holdings in foreign countries.

Q. Then, at first, in the spring apparently he wasn't in favor of an outright gift inasmuch as he took six months?

A. I couldn't say that but he said he would think it over, I guess it was.

Q. Did he tell you he had not reported this property to the German Government?

A. I believe he did.

Q. Did he mention to you at that time, or at any time, that he had any other property in this country.?

A. I am not very definite on that. It is possible he mentioned that. I believe it is possible.

Q. Do you have any information as to whether or not he does have otherproperty, or did have other property?

A. No, I think if he has it would be in the New York Trust Company. I believe that would be the [redacted] connection. At any rate, It would be in the bank.

Q. Would that be in his own name or in the name of his sister-in-law?

A. I don't know. I don't know anything about it. I had nothing to do with it.

Q. Did he ever tell you that his sister-in-law had other other property here/than --

A.(Interposing) No.

Q. Did he ever say she did not have?

A. No.

Q. Did you ever have any written power from Mrs. Bochmann?

A. No.

(Off the record discussion Messrs. Carolan, Skidmore and Hall)

By Mr. Skidmore:

Q. Mr. Grauptner, when did you first come to the United States?

A. 1891.

Q. How long have you been a naturalized citizen?

A. Since 1899, I believe.

Q. And you have been in business here, or you were in business up until the time you retired -- for how many years?

A. About thirty odd years.

Q. Twenty odd years.

A. Thirty.

Q. Thirty odd years and --

A. (Interposing) I was in actual business.

Q. Your sons were born and raised here in this country and educated here?

A. Yes.

Q. And they are both now in the United States Army?

A. Yes/ One is in Sicily I just had word from him.

Q. I think that is all, Mr. Carolan, unless there are some other questions you want to ask.

By Mr. Carolan:

Q. In the fall of 1937, you returned to the United States and told Mr. Hall that the brother-in-law of Mrs. Bochmann wanted to have the stock of the Stoneleigh Corporation given as an outright gift to someone.

A. I did.

Q. And did you know Mrs. Dwyer at that time?

A. Yes, I knew Mrs. Dwyer.

Q. Had you known her prior to that time?

A. Yes.

Q. Did you talk to Mrs. Dwyer about this gift?

A. Never.

Q. Never?

A. Never.

Q. And, you never had any conversation with her concerning it at any time?

A. No.

Mr. Carolan: I believe that is all. Mr. Graupner, would you make a search for the letter that Mrs. Bochmann wrote to you in which she said she no longer wished to be connected with the corporation?

Mr. Graupner. I may, but I will be glad to furnish it if I have it.

Mr. Carolan: That will be all and thank you very much.

(Witness excused)

Adjournment 12 noon.

COPY

TREASURY DEPARTMENT

Foreign Funds Control

- -

In the Matter of:

Mrs. Helen B. Dwyer — Application NY 554,698

Supplement to hearing on Application for Unblocking of Funds

- -

Met: Pursuant to Notice, at 1:30 p. m.

May 31, 1945

Appearances:

Thomas H. Carolan, Office of the General Counsel for the Treasury Department

Mr. William Graupner
1170 Fifth Avenue
New York, N.Y.

Mr. Louis H. Hall, Attorney
New York, N.Y.

TREASURY DEPARTMENT

Foreign Funds Control

In the matter of:	:	
Mrs. Helen B. Dwyer	:	Application NY-554,698
Supplement to hearing on Application for Unblocking of Funds	:	

Met, pursuant to notice, at 1:30 p.m.

May 31, 1945
Room 802, 253 Broadway
New York, N.Y.

APPEARANCES:

Mr. Thomas H. Carolan, Office of the General Counsel
for the Treasury Department

Mr. William Graupner
1170 Fifth Avenue
New York, N.Y.

Mr. Louis H. Hall, Attorney,
New York, N.Y.

Reporter: Mrs. A. L. Brown

PROCEEDINGS

Mr. Carolan: We will call this a supplement to the hearing had in connection with the application of Mrs. Helen B. Dwyer for unblocking of funds, being NY-554,696, held in Washington on August 4, 1943.

Mr. Graupner, your full name is William Graupner?

Mr. Graupner: William Graupner

Mr. Carolan: What is your address?

Mr. Graupner: 1170 Fifth Avenue, New York

Mr. Carolan: Mr. Graupner, as I probably told you at the previous interrogation, your testimony is given and received in connection with the administration of Executive Order 8389, as amended, and any misrepresentations are punishable as provided in the penal clause of such order. I wish to advise you again that it is your right to refuse to answer any question to which might tend to incriminate you under the laws of the United States.

Whereupon

WILLIAM GRAUPNER

was examined and ~~testified~~ testified as follows:

EXAMINATION

By Mr. Carolan:

Q. At our previous hearing, you told us about having talked to Kurt Schneider.

A. Yes.

Q. When did you first meet Mr. Schmieder?

A. That is a good many years ago. He was here working in New Jersey.

Q. And what was his business?

A. He worked in Garfield Worsted Mills, with which his family was connected. His father held shares in the corporation.

Q. Approximately how many years ago was that?

A. Well, that must have been around 1906 or '07, as near as I can say at this time.

Q. Was he German-born?

A. He is German-born, yes.

Q. And did he ever become a citizen of the United States.

A. No.

Q. When was his last trip to the United States? Do you know?

A. That I couldn't say now.

Q. You could not say even approximately?

A. No.

Q. Approximately how old is he?

A. He must be in the fifties, as near as I can say.

Q. Is he a married man?

A. He is a married man.

Q. Does he have a family?

A. He has children, yes. Two children. The daughter is married for some years.

Q. And in 1935 he was living in Germany?

A. Yes, in the town Meerane, in Saxony.

Q. How far was that from where your summer home was in Germany?

A. I should say about two hours with the automobile.

Q. And you lived in Ebersdorf?

A. Ebersdorf, Thuringia.

Q. Was he engaged in business in Germany?

A. Yes. Yes.

Q. And that was the textile business

A. In the textile business, yes.

Q. Do you have any idea as to what his holdings amount to in the way of money and securities and real estate?

A. I don't know.

Q. Was he considered a wealthy man?

A. I believe he was well-todo.

Q. Did you see him frequently when you went to Germany?

A. No.

Q. Were you good friends?

A. Well, as you are with almost anybody. Not friends in the sense of a good friend whom you see often and continually. Perhaps twice a year when I was over there, at most.

Q. I believe you told us that in 1934 he came to see you with respect to some securities that were at that time lodged in New York,

A. That's right. I believe in 1934. I can't fix the year so well, but I believe that is correct.

Q. And at that time he told you that they were in the name of

some other party. Is that correct?

A. In the name of Jenny Bochmann.

Q. And at that time you informed him that you would assist him if it didn't require your taking too much of a post in the disposition or handling of the securities, Is that correct?

A. That is correct. No, I didn't handle the securities at all--didn't want to do that.

Q. That was the condition that you laid out for the man.

A. Yes.

Q. That you would --

A.(Interposing) The securities already were held by a bank, but I wouldn't take them over or have anything to do with them.

Q. Generally, what did you do with respect to the securities?

A. Well, there were very few letters exchanged between the bank and this Mrs. Bochmann. I don't know what it might have been. Just something about the securities perhaps being called or some other reason. I don't know. It was unimportant, however.

Q. Did you correspond with Mr. Schmieder about it about you returned to this country?

A. No.

Q. Have you ever corresponded with Mr. Schmieder?

A. Well,it might be, a good many years ago. I might have exchanged a few letters with him, yes, but not about these things, not since 1934.

Q. You may have received a letter or two from Mrs. Bochmann

about these securities or the securities that were subsequently placed in Stoneleigh Corporation.

A. Yes.

Q. But, you just told me, you have been unable to find any of those letters.

A. That's right.

Q. I understand that Mr. Schmieder gave you a power of attorney in connection with an account that he had with one of the New York banks. Do you recall that?

A. No, I do not. He may have mailed it to the bank direct, but I don't remember anything about it.

Q. Do you know whether or not your son, Hermann Grunner, ever had any correspondence with Mrs. Bochmann?

A. I am quite sure he hadn't.

Q. None that you know of?

A. None that I remember or know of.

Q. When Mr. Schmieder first met Mr. Hall in 1935 at your home in Germany, were you present at that meeting?

A. I don't think so. I think Mr. Hall talked with him alone.

Q. Did Mr. Schmieder discuss with you during 1935 or about the time of Mr. Hall's visit anything with respect to the securities?

A. I believe he talked about a plan of forming a corporation.

Q. Did he indicate to you any reason for taking such action?

A. No.

Q. And Did Mr. Hall discuss it with you after he talked to Mr.

Schmeider?

A. I don't remember that.

Q. It was your understanding that Jenny Bochmann was the sister-in-law of Hart Schmieder?

A. Quite.

Q. Did you know anything further about Mrs. Bochmann? (After a pause) Did you ever meet her son?

A. No.

Q. Did you ever have any information to the effect that Mrs. Bochmann had other property in this country, other than what was in Stoneleigh Corporation?

A. No.

Q. When you returned to this country in 1936, you conveyed to Mr. Hall the wish expressed by Mr. Schmieder that a corporation be formed to hold these securities?

A. I think that's right.

Q. And can you give any further details than that?

A. No.

Q. No., in 1937, you had a talk with Mr. Hall with respect to the Stoneleigh Corporation and told him that the owners were desirous of making some change. Do you recall that conversation.

A. I believe so.

Q. That was before you returned to Germany in 1937?

A. Yes.

Q. How come you discussed the matter with Mr. Hall at that

time. What prompted you to do that?

A. I believe, if the time is correct -- well, it was '37, was it -- before I left Mrs. Bochmann had written a letter saying that she didn't want to sign any more documents.

Q. Did she give any reason for that?

A. She did not.

Q. And, on the basis of that letter, you discussed with Mr. Hall --

A. (Interposing* I discussed with Mr. Hall what possibilities there would be for Schmieder to follow.

Q. At that time, you had determined in your own mind that Schmieder was the beneficial owner of these securities?

A. Yes, I think so.

Q. And you told us before that part of that information was obtained from an examination of the purchase sheets.

A. That's right.

Q. Mr. Hall told you at that time the only thing a person could do who owned property over here and didn't want it known was to give it away -- or words to that effect?

A. That's right.

Q. Now, at that particular moment or at that time Stoneleigh Corporation was fully officered and was holding these securities and paying the income into an account payable to Mrs. Bochmann.

A. That is correct.

Q. So that Mrs. Bochmann's announced intention not to have

anything further to do with the corporation wouldn't of necessity have meant that Schmeider might want to put it in the name of someone else. Isn't that right?

A. I don't know how the situation was on the other side. Schmieder evidently hadn't reported these holdings, and perhaps he and Mrs. Bochmann got into some difficulties.

Q. Well, had Schmieder told you as early as 1937 that he hadn't reported them, or did he ever tell you that he hadn't reported them?

A. I think he told me that he had not reported them. When that was, I can't fix the time.

Q. Is there anything that you haven't told us about in the past that you can think of now that caused you and Mr. Hall to discuss the possibility of having the person owning the securities make a gift of them as early as 1937?

A. No.

Q. Then you returned to Germany and conveyed to Mr. Schmieder the gist of the conversation that you had had with Mr. Hall.

A. Yes.

Q. What was his reaction to that?

A. Well, I believe at that time he wanted to see Mrs.Bochmann who was expected to visit his family during the summer -- as near as I can remember.

Q. Did he express to you the though that perhaps he might prevail upon her to continue?

A. No, he did not, because I really had nothing to do with it

any more.

Q. As I understand your position, your only interest in the matter at all times has been to convey messages back and forth.

A. That is all. I have nothing else.

Q. Did he say anything in particular that you now recall with respect to the suggestion that he might give the property away?

A. No/ He simply reserved -- He said "I will let you know before you go what to say to Mr. Hall, before you go abroad again."

Q. And that was during the early summer of 1937?

A. 1937, yes.

Q. And then you returned to the United States?

A. In the fall.

Q. Was the next time that you ~~xxkxdxxith~~ talked to Mr. Schmieder just before your returned to the United States?

A. I believe so.

Q. What did he tell you at that time?

A. Well, at that time it was the question what decision he had made with this, what Mr. Hall had said, because he had no interest. It was entirely up to him to decide what he wanted to do, and that is all I could do, to convey the message.

Q. Did he appear to be wholly in favor of the idea of giving the money away?

A. I guess it must have gone through his mind considerably to weigh the question. That is as near as I can say. I saw the man only for a very short time.

Q. Did he ask you if there was any other possibility?

A. I think he spoke about that, yes, but I couldn't answer the question.

Q. Do you recall whether he mentioned that in the first conversation of 1937, in the last conversation or both?

A. I couldn't say.

Q. Did he say that he had talked to Mrs. Bochmann during the summer of 1937 when he talked to you last?

A. I couldn't answer that question. He may have talked with her but I can't definitely say so.

Q. Was there anyone else present at the time he had this conversation with you?

A. No.

Q. There has never been anything reduced to writing in connection with it, has there?

A. No.

Q. Did he mention Mrs. Bochmann's name at that time?

A. Well, Mrs. Bochmann's name was mentioned in various conversations about this because he held the securities in her name.

Q. Can you tell us anything in particular about what was said about Mrs. Bochmann?

A. No.

Q. And your next move with respect to these securities was to contact Mr. Hess upon your return to New York.

A. Right.

Q. And you told him to--

A. (Interposing) I told him Schmieder's decision to go ahead.

Q. To go ahead.

A. To go ahead and draw up the necessary papers.

Q. For a gift?

A. To make the gift.

Q. Did you discuss with Schmieder who might be the recipient of the gift?

A. The question was what of it. I couldn't tell him. I said "That will have to be decided by Mr. Hall, and I will discuss it with Mr. Hall." And Schmieder said he would leave it to both of us.

Q. Did you discuss the possibility of giving the securities to a charitable institution of any kind?

A. No, he did not.

Q. It was only with respect to singling out some individual?

A. That's right.

Q. He made no suggestion as to who that individual might be?

A. No.

Q. Did he give you any specific reason at that time for wanting to make a gift?

A. I believe the fact that he didn't report his holdings caused him to do so, to make the gift, and I believe he was under pressure of perhaps an investigation pending over there.

Q. Did he mention that there was an investigation?

A. Yes. He mentioned an investigation that was being made.

Q. That was specific, and not a general expectation?

A. Well, I don't know what that was about.

Q. But I mean an investigation applying to him personally. It wasn't something in Germany generally?

A. It referred to his income over there.

Q. Did he tell you at that time that this property belonged to him?

A. I don't know whether that was definitely expressed that way, but it is entirely possible.

Q. Did you see Mr. Schmieder subsequent to 1937?

A. Yes, I may have seen him in '38.

Q. You don't have any independent recollection of it, though?

A. No. And I may have seen him in '39.

Q. Was 1939 the last year you were back?

A. That is the last.

Q. Do you recall ever having discussed the matter with him after 1937, the matter of these securities?

A. I don't think so. I don't recall anything about it.

Q. Would you say that you hadn't?

A. Well, that perhaps I couldn't say, either. You see, it is so long ago. It is very difficult to keep the different years apart. General conversations -- I had no interest in the whole thing.

Q. Well, in 1939 you say that he authorized you to tell Mr. Hall to proceed to make a gift --

A. (Interposing) That's right.

Q. -- of some $200,000 in securities to some person to be selected by yourself and Mr. Hall. A gift of that size and under those circumstances is somewhat unusual. It seems to me that if subsequently your returned to Germany and discussed the matter with him --

A. (Interposing) There was some discussion about it, particularly that Mrs. Bochmann declined to sign certain papers connected with th gift.

Q. In 1939 Mr. Hall was in Europe. Did you see him at that time in Europe?

A. No. Mr. Hall was over there before I left.

Q. You didn't talk to him inEurope?

A. No.

Q. Did Mrs. Bochmann, to your knowledge, ever complete the execution of some papers in connection with the gift tax?

A. No, I think she -- there was some paper that had to be signed but she didn't sign.

Q. And it was about that particular paper that you talked to Mr. Schmieder after 1937?

A. No. I had nothing to do with those papers.

Q. Well, did you ask Mr. Schmieder to prevail upon Mrs. Bochmann to complete the signature of some papers?

A. No, I don't -- Mrs. Bochmann was connected directly.

Q. Have you heard from or about Mr. Schmieder directly or indirectly since 1939?

A. No.

Q. So far as you know, he is still living over there, in Germany?

A. Yes.

Q. He is not in the Army, to your knowledge?

A. I have no idea.

Q. Well, he is beyond the usual military age?

A. I don't know. They took them up to 65. I don't think he is as old as that. They may have taken him.

Q. Have your ever heard from Mrs. Bochmann since 1937 or '38?

A. No. I don't know Mrs. Bochmann; never saw her.

Q. And the power of attorney which Mr. Schmieder executed and left over here with the bank is something you don't know about and never acted under?

A. I don't know. Never acted under it as far as I know.

Q. You and Mr. Schmieder have no business interests together in a joint venture?

A. No, none at all.

Q. So far as you know, taking into consideration every conversation that you had with respect to these securities which were in Stoneleigh Corporation, it was the intention of Schmieder and Mrs. Bochmann that they be given to some person without any strings attached, as an outright gift?

A. That is what I so understand.

Q. Your have never heard anything contrary or seen anything that

would lead you to believe anything to the contrary?

A. No.

Q. Since 1934, have you ever had any business dealings with Mr. Schmieder other than acting as messenger for him in connection with these securities?

A. No.

Q. You have neither bought nor sold any property of any sort--

A. (Interposing) No.

Q. There wasn't any exchange of --

A. (Interposing) There might have been some purchase which he directed the bank to make. I don't know. I can't say.

Q. No I mean yourself personally.

A. No, I didn't personally do anything.

Q. Do you have any property holdings in Germany.

A. Do I?

Q. Yes.

A. Yes.

Q. But he has never had anything to do with that?

A. No.

Q. Or any mem ber of his family?

A. No, no.

Q. Have you since 1930 had anything to do with Mr. Schmieder in a business way in the United States apart from --

A. (Interposing) 1930?

Q. Yes.

A. I don't think so.

Mr. Corolan: Off the record.

(Off the record)

Mr. Corolan: Mr. Hall, will you tell us for the record what you have just related with respect to how you happened to receive the power of attorney from Mr. Schmieder?

Mr. Hall: When I was questioned in Washington in August of 1943, I was asked if I held a power of attorney to act for Mr. Kurt Schmieder, and my response was in the negative. I think I was then told that the New York Trust Company had reported that it held a power of attorney running from Schmieder to me and Mr. Graupner.

Upon my return from that hearing, I went to the New York Trust Company and found that in fact there was a power of attorney executed by Schmieder and running to Mr. Graupner and myself. That power of attorney was executed, to the best of my recollection, in 1928, as I saw from reading it in the hands of the Bank.

I, thereupon, searched my files to find if possible any record of how such a power of attorney had come to be given since I could remember nothing of it whatever. I found a copy of a letter addressed by me to Mr. Graupner reciting that I was returning to Mr. Graupner a letter Mr. Schmieder had written him asking him about the possibility of forming a corporation in the United States to hold investments and asking how it could be done without Mr. Schmieder being here. I gave some general information in my letter as to the legal formalities in connection with the forming of such a corporation and suggested that if

Mr. Schmieder wanted something of that sort done he could give a power of attorney to Mr. Graumer and myself. After writing that letter, I never heard of the subject again until I was questioned in Washington in August 1943, as above stated. It appeared that Mr. Schmieder had executed and forwarded direct to the New York Trust Company the power of attorney running to Mr. Graumer and myself, but I was never notified of that fact either by Mr. Schmieder or by the New York Trust Company. I never acted under that power of attorney and I know nothing further about that matter whatever. All my transactions with the New York Trust Company have been through its 40th Street office, with which I was at one time associated as a member of an advisory committee. The Schmieder power of attorney appears to be among the files of the New York Trust Company at the Main Office at 100 Broadway.

Mr. Carolan: Did you have reason to believe that Mr. Schmieder was expecting to recover money from the Alien Property Custodian in 1928?

Mr. Hall: Well, as attorney for the Garfield Worsted Mills, I knew that some stock which he held had been seized by the Alien Property Custodian and I knew that under the return of the seized property he was entitled to money. I also knew that he had an attorney who had filed a claim.

Mr. Carolan: Do you think of anything further?

Mr. Hall: If I may talk without going on the record --

Mr. Carolan: Surely.

(Thereupon, after conversation off the record, the hearing was concluded at 2:30 p.m.)

Application - No. NY-554696
For unblocking - Washington D C August 4, 1943

- -

EXAMINATION OF MRS. DWYER

By Mr. Carolan:

Q. Mrs. Dwyer, you are the applicant in this matter and you are a native-born American citizen?

A. Yes.

Q. You were born in Indiana,

A. Connersville, Indiana.

Q. What was your maiden name?

A. Mullikin.

Q. Just briefly, tell us where you went to school and where you worked - just hit the high spots.

A. Well, I went to school in Connersville. Graduated from high shhool in 1913 and from then on I worked in various positions, probably can't remember exactly all of them. I worked for two years for a brokerage house in Indiana. I married in 1918 and from then on I traveled with my husband who was in the Navy, from place to place, until 1922 when he was taken ill and sent here to the Naval Hospital and I came, of course, to Washington. I later went to work here and worked in the Veterans Bureau, in the Loans and Currency and later in the Alien Property Custodian and it was while I was in the A.P.C. I met Mr. Hall and when he had a vacancy and asked me if I would consider a position in New York I went to New York.

Q. That was in 1929?

A. Yes.

Q. And you have been with him even since,

A. Ever since.

Q. Up to the present time. You have accounts in what banks in New York?

Read 11/1/51 80

A. New York Trust Company and East River Savings Bank.

Q. And when were they opened,

A. The New York Trust Company, I think, I believe in 1935. It appears on my application. It appears on my application for unblocking. The East River was in 1936, January, and the New York Trust in February of 1935.

Q. And you had an account with a brokerage firm,

A. The brokerage account was opened in 1929.

Q. With Green, Ellis & Anderson?

A. Yes. The Chemical Safe Deposit Company box was taken out, as I stated in 1941.

Q. November or December?

A. I think it was November.

Q. 1941. You have listed in your application the contents of the safe deposit box to the best of your knowledge and belief,

A. Yes.

Q. You referred to some collateral securities, to-wit, 150 shares of Glen Alden Coal Company and 100 shares of Beneficiarl Industural Loan Corporation.

A. Yes.

Q. Do you know, roughly, what the market value of those shares are today?

A. Well, the last time I noticed Glen Alden it was around 16 and the Beneficial Industrial LoanCorporation, I think, is around the same amount.

Q. When were the 500 shares of Stoneleigh Corporation assigned to you?

A. On March 30, 1938. That, I believe, appears on the original TFR-300 filed by me. March 30, 1938.

Q. How long prior to March 30, 1938 did you know that you were being

considered as the person to whom the shares might be given?

A. I could not know just exactly how long, but, of course, I typed the original papers that Mr. Hall prepared to send over and I knew at that time I was being considered. I would say probably it was in January, 1938. It might have been the latter part or the early part, I don't know exactly when.

Q. Of January?

A. Yes.

Q. You have never met Mrs. Bochmann?

A. I never have met Mrs. Bochmann.

Q. She is not related to you?

A. No relation.

Q. Have your ever had any correspondence with her?

A. No. No correspondence.

Q. After your had received the 500 shares, which I understand were all of the outstanding issued shares of Stoneleigh Corporation, you took the necessary steps to dissolve the corporation?

A. Diwsolved the corporation immediately.

Q. You say immediately, when did that take place, do you recall?

A. I think the application for certificate of dissolution was probably filed that day.

Q. Where were the securities that were owned by the corporation kept at that time?

A. In a custodian account in the New York Trust Company, in the name of Stoneleigh Corporation.

Q. M. And did you continue to keep them there?

A. I did, not in the name of the corporation, but in my name. I kept the custodian account.

Q. Are they still there or have they been transferred into a safe deposit box?

A. Some of them are in the safe deposit box and some are pledged as collateral to loans with the New York Trust Company.

Q. Did you transfer them to the Chemical Safe Deposit Company at the time you opened, or obtained, your box there in 1941?

A. Those that were not pledged as collateral I put in the box.

Q. You had pledged some of the securities as collateral,

A. As long as I had the custodian account in the bank they were there and except for collateral there, when I took them out they kept what was necessary for collateral.

Mr. Skidmore: That was in November 1940,

A. 1941.

by Mr. Carolan:

Q. Now, on the 31st of October 1941, you filed a TFR-300 in connection with this property, did you not,

A. Yes, I did.

Q. Property that you received from StoneleighCorporation?

A. No, from Mrs. Bochmann.

Mr. Skidmore: She received the shares of the corporation from Mrs. Bochmann.

Q. And the securities of the corporation when it was dissolved?

A. That is right.

Q. Prior to making this report you discussed the matter with Mr. Hall as to whether you should make it.

A. Yes, I did.

Q. And he suggested that you consult another attorney?

A. Another attorney.

Q. And you did?

A. Yes.

Q. And what was the name of the other attorney?

A. George Z. Medalie.

Q. And he advised you to make the report?

A. Yes.

Q. Will you repeat the reasons?

A. Well, I think, the reasons were that we did not know the actual reason for making the gift and to avoid any question of possible concealment if they should come back to me and ask for the property back. If Mrs. Bochmann should, it was better to make a record of having received a gift under the circumstances that Idid receive it.

Q. Had you, since you received the property, kept it more or less segregated from your other funds?

A. More or less, yes. At the present time all income received on this property goes into my checking account in the New York Trust Company. Prior to that, while I had the custodian account, it, of course, went to the New York Trust and was credited to my custodian account and if I wanted funds for any purpose I transferred it from that account to my checking account.

Q. But, you haven't indiscriminately co-mingled it with your own funds during the past two or three years, have you?

A. Just--

Q.(Interposing) Well, let me put it this way. You know, or could ascertain, at this moment or within a short time, just how much of the cash you have has been xxxx derived from the gift you received indirectly from Mrs. Boehmann.

A. Yes, I could.

Q. You have kept a record of that?

A. I know what securities I had in my brokerage account. When I made investments I used the same broker I had always used before but I

generally took the securities out, put them in my safe deposit box or--

Mr. Skidmore (Inter osing) Perhaps I could help in this because I looked into that preliminary to this hearing as to just what the situation was with respect to Mrs. Dwyer's property. It is intermingled but it can be traced and as the securities which originally were securities which came to her from the dissolution of the Stoneleigh Corporation and the proceeds of those having gone into other securities, they could be traced and as far as the present situation is concerned there is definitely certain property which is her property and was her property and came from earnings and savings she had long before this gift took place and could be entirely, readily separated. And the rest of it could be done by analyzing the account and showing just where the proceeds of sale went and what purchases were made.

The East River account you spoke of is a savings account, Mrs. Dwyer, is that so?

A. Yes.

Mr. Skidmore, And that account, I think you testified, you had since 1935 or 1936.

A. 1936.

Mr. Skidmore: The New York Trust Company which you opened in 1935 was a checking account?

A. Yes.

By Mr. Carolan:

Q. Are any of the funds in the East River Savings Bank account funds that have originated from the Bochmann gift?

A. No.

Q. They are all your own savings?

A. Savings, just when I had a little extra money I used to

periodically take it from my salary and put over there. Just a kind of habit from years of training of maintaining a savings account.

Q. But in the New York Trust Company there may a be a part of both?

A. Part of both. I don't think there is anything over there now except what might have come from the gift.

Q. And, in your brokerage account there are some of the property and --

A.(Interposing) There are proceeds of sale of 100 shares which I made in April, I think, this year and I have reinvested the money.

Mr. Skidmore: That is how much?

A. About $2700.

Mr. Skidmore: But the balance of securities in that brokerage account were not purchased with money, part of the money obtained from the gift?

A. No part of the money obtained by gift.

By Mr. Carolan:

Q. Are there any securities in the safe deposit --Chemical Safe Deposit Company box other than those you received from the Stoneleigh Corporation or from proceeds--

A.(Interposing) Those that are collateral? No. I have maintained this margin account at the brokers for years. I just leave it there and buy and sell.

Mr. Hall: May I ask - there are securities which you held belonging to another which you held as collateral for a long time?

A. Those securities always have been held as collateral for loans, the Industrial Loan and Glen Alden are held as collateral by me.

Mr. Hall: They secure a loan of moneys derived from a loan which you procured on the security of collateral which came from the Jennie Bochmann account?

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A. That is right.

Mr. Skidmore: There are also life insurance policies -- (Addressing Mr. Carolan) you don't mind if I --

Mr. Carolan. No, go right ahead.

Mr. Skidmore: You have some life insurance policies, do you not?

A. Yes, I have.

Mr. Skidmore: Will you describe those, just what they are?

A. I have a policy for $1,000 which is an endowment, expires in 1946. I took it out in 1917. I have two policies, one for $3,000 and one for $2,000 which will expire I think, well, at the age of 60.

Mr. Skidmore: They are not endowment policies.

A. No, convertible annuity policies. Those were taken out in 1933.

by Mr. Carolan:

Q. Did you have any particular reason for transferring the securities in 19411 from the New York Trust Company to the Chemical Safe Deposit Company?

A. No particular reason other than it was a little saving. I paid the custodian fees. I had maintained the custodian account from the beginning because when I received the gift I was not well and I did want the manual labor of taking care of the deposit and income and so on and I lifet it in the custodian account for that reason.

Mr. Skidmore: And, in 1941, you took it over and terminated the custodian account?

A. Yes.

By Mr. Carolan:

Q. Do you have possession of the corporate records of Stoneleigh Corporation?

A. I have. Of the Stoneleigh Corporation.

Q. And you heard Mr. Graupner testify as to certain purchase slips that he thought were there?

A. Yes.

Q. Do you know whether they are in the corporate papers, or not?

A. I think they are. I don't think there are purchase slips for all but I think there are some purchase slips in those records.

Q. Your home address is what?

A. 311 Lenox Road, Brooklyn, N. Y.

Q. How long have you lived there?

A. Since 1935.

Q. After you received the gift of 500 shares of the Stoneleigh Corporation, you reported that and paid the gift tax to the Federal Government?

A. Yes.

Q. And you reported the income from the securities?

A. Absolutely.

Q. And made tax returns.

A. Yes.

Q. Did you know Kurt Schmieder?

A. No.

Q. Ever see him.

A. No. Never saw him.

Q. Do you know Berthold H. Hahnebach,

A. I have met him in the office when he has called at the office on various different matters. It has been probably eight years or maybe ten

Mr. Hall: May I interrupt -- I think he was the auditor on a Treasury account which we have in our office. Wasn't he in that (inaudible word) trust? I think so. (These remarks addressed to Mrs. Dwyer).

A I think so. At least he worked on something and I have met him in the office in a business way. I do not know him personally.

By Mr. Carolan:

Q. With reference to this gift of 500 shares of Stoneleigh Corporation, you never discussed the gift with any one except Mr. Hall and Mr. Graupner?

A. I never discussed it with Mr. Graupner until after the investigation of this -- until this matter came up. Mr. Hall discussed it with me and I have talked it over with him.

Q. You heard Mr. Hall testify this morning concerning the gift and you worked in Mr. Hall's office. Is there anything you can add to what he said in reference to the gift?

A. I don't believe so, except he did stress the fact he would not want me to accept it unless I had it as an absolute gift, that I was free to do with it and use it as I pleased.

Q. That was before he wrote the letter dated March 15, 1938, in which you are described as the donee?

A. yes.

Q. And you say that conversation occurred probably in January or before of 1938?

A. I would not think it would be before January of 1938. I said January, somethime during January, because that would allow for the time for the papers to go to Switzerland and to be received.

Q. You discussed the possibility that sometime in the future there might be a claim made on the part of Mrs. Bochmann or some other party to have the property returned?

A. At that time, no. At that time he told me his recommendation had been they could only give it away, it would have to be an absolute gift.

and when he would suggest me as the recipent of the gift, he would have it definitely understood it would be an absolute gift and he also told me he didn't know the reason it was being given away but he suspected it was because they wanted to get rid of it. It wasn't until after the war and these questions came up there was any discussion they might at sometime be hard up and might say something.--

Mr. Skidmore: (Interposing) You mean the filing of the TFR 300.

A. Yes, because in 1938 it was just a question of what might be conditions in Europe, not the question of the conditions here.

Mr. Carolan: Do you have any questions you want to ask Mr. Skidmore?

By Mr. Skidmore:

Q. You said that you were born in Indiana, Mrs. Dwuer, your parents were also born in this country.

A. Yes.

Q. Have you any relatives or connections abroad at all?

A. No.

Q. Have you ever sent any of this money, or any other money of your own abroad, to anyone?

A. Never, at any time.

Q. There was a question asked as to whether you kept this property segregated. I think you testified that it was in a custodian account, that is, the securities owned by the Stoneleigh Corporation were in a custodian account at the time the stock of the Stoneleigh was transferred to you, is that right?

A. Yes.

Q. At the time this gift was made in March of 1938?

A. 1938.

Q. And you continued that custodian account?

A. Not that custodian account, that was closed. I opened a custodian account.

Q. With the New York Trust Company?

A. With the New York Trust Company.

Q. You continued to carry these securities in a custodian account and I think you testified you did not want the manual labor of looking after the collection of income and so forth?

A. That is right.

Q. And, in 1940, you terminated that custodian account and took over the securities into your safe deposit box?

A. That is right.

Q. And in making the purchases and sales of securities which were originally part of the securities which came from the Stoneleigh Corporation, you have made those purchases and sales through your same brokerage firm?

A. Yes, Green, Ellis & Anderson.

Mr. Skidmore: I think that is all.

Mr. Carolan. (Off the record discussion)

Mr. Hall. (Off the record discussion)

Mr. Skidmore: Will you state what you have done with the income which you have collected from the securities which formed a part of this gift?

Mrs. Dwyer: I have used part of it for living expenses, for anything I want to purchase for myself. I have invested some and, of course, I have paid the interest on my loans to the New York Trust Company which is quite a considerable amount and my income taxes have been paid.

Mr. Skidmore: Have you paid any part of the income to anybody?
Mrs. Dwyer: No one. No one has benefited by it except me, myself.
Mr. Skidmore: Have you promised or agreed to make any payments?

Mrs. Dwyer: No, I have made no agreement.

Mr. Skidmore: I don't think you testified you are a widow, Mrs. Dwyer.

Mrs. Dwyer Yes.

(Off the record discussion between Messrs. Carolan, Skidmore, Hall and Hazard and Mrs. Dwyer).

(Hearing concluded 3:00 p.m.)

PLAINTIFF'S EXHIBIT 39 - DEPARTMENT OF JUSTICE FILE MEMO - CAROLAN

MEMORANDUM FOR THE FILES 9/23/43

Re: Mrs. Helen P. Dwyer
NY 554696
Application for unblocking

Pursuant to request of applicant a hearing was held on August 4, 1943, in connection with her application to have her funds unblocked, at which time the following statements were made:

Louis H. Hall stated he was a lawyer, associated with the firm of Putney, Twombly & Hall of New York City. That he was born June 5, 1875 in Naugatuck, Conn., and has been practicing law since 1900. He explained that in 1935 while on a trip in Germany he met Kurt Schmieder. Hall at the time was living in a house in Thuringia owned by William Graupner, a naturalized United States citizen and friend of Schmieder. Schmieder sought information about United States tax laws with respect to a company to be formed to hold securities he was talking about Hall presumed they were his own. Hall says he briefly discussed the matter matter with him suggesting Delaware as the State under whose laws the corporation should be formed. In the fall of that year Mr. Graupner, who had been in Germany returned to the United States and told Hall to go ahead with the information of the corporation that Hall and Schmieder had discussed earlier in the year. Graupner said that Mrs. Jennie Bochmann of Lugano, Switzerland, a sister-in-law of Schmieder, was the person with whom Hall was to communicate, she having the securities. After some delay Hall wrote to Mrs. Bochmann stating he was ready to proceed with the formation of the corporation. She replied by cable as follows:

"PLEASE EXPEDITE THE FORMATION OF THIS CORPORATION."

Stoneleigh Corporation was then formed with an authorized stock of 500 shares of no par value. Securities in the name of Jennie Bochmann in the New York Trust Co. were transferred to the corporation, and its 500 shares were transferred to Jennie Bochmann as of January 1, 1936. The proceeds of dividends of the corporation, less payments for taxes thereon, were paid back into the corporation as working capital and set up as accounts payable to Mrs. Bochmann on the books of the corporation. During 1936 and 1937 Mrs. Bochmann was dilatory in signing papers sent to her for signature and in the Spring of 1937 Graupner came to Hall saying Mrs. Bochmann wanted to get rid of this property. Hall said that in 1937 he knew Germany was requiring all Germans to report their holdings in foreign countries. He told Graupner he knew of no way that the ownership of the property could be retained and ownership concealed by persons living abroad and could make no suggestion whatever. However, he did tell Graupner: "If they wanted to give it away and make it an absolute gift that they could always do so." (Underscoring supplied) In the Fall of 1937 Mr. Graupner returned and said:

> "***that the owners had decided, he probably said Mrs. Bochmann I don't know, that they wanted to get rid of it at any cost and they were prepared to make an absolute gift of it. Naturally, there must have been quite some talk although I don't remember anything particularly that was said but that was the whole status of it. I said that no pretended gift, no cover up scheme, no gift with a string attached to it, with an understanding express or implied that it would be given back, would do any good. No American citizen could take property under those conditions and only if they

were prepared to make an absolute gift, forget it forever, would I suggest anything or would I do anything. Then the question was who to give it to and I said Mrs. Dwyer, whom I had known for a long while, whom I had the highest respect for, and who had had the sort of life and experience that entitled her to a windfall and I suggested her, and eventually I was told they had decided to do that give it to Mrs. Dwyer. I can't be too emphatic that I said under no circumstances will she touch or will I permit her to touch it, if at any time somebody would come and say well, it looked like a gift but it wasn't. After all that they told me to prepare the papers, which I did. They came back addressed to my firm, signed by her with her personal signature and the stock was transferred into Mrs. Dwyer's name. She had no occasion to bother with a holding corporation so she immediately had it dissolved and took the property. It is hers, of course, and I assume it is without any qualification."

According to Hall three letters were prepared under date of March 15, 1938, by his Office and forwarded to Mrs. Bochmann for her signature. These letters were signed by Jennie Bochmann and returned to Hall. One letter was addressed to Mrs. Dwyer and recited that Mrs. Bochmann wished to give her all the stock of the Stoneleigh Corporation together with all claims against that corporation, subject to payment of all taxes payable including a gift of tax. Putney, Twombly & Hall have been instructed to take the necessary steps to effect the transfer. The second letter was addressed to Stoneleigh Corporation and recited that a gift of the stock and accounts receivable had been assigned by the writer, Mrs. Bochmann, to Helen B. Dwyer. The third letter was addressed to Putney, Twombly & Hall by Mrs. Bochmann and contained directions to transfer the stock to Mrs. Dwyer. 1/

The stock of Stoneleigh was transferred to Mrs. Dwyer and thereafter the corporation was dissolved. Hall stated that he had retained in his possession the 500 shares of Stoneleigh corporation stock from the time of its issue until the transfer to Mrs. Dwyer. He stated that in 1939 in company with his wife and Mrs. Dwyer he went to Switzerland. While in Lugano he called on Mrs. Bochmann in order to get her to sign a gift tax return in connection with the gift. Mrs. Bochmann although previously requested by mail to do so had failed to sign this return. She told him she would not sign, that she was through with the property. This was the only time he ever met Mrs. Bochmann. While it was his intention to have Mrs. Dwyer meet Mrs. Bochmann, her benefactor, for the first time, he did not carry out his plan because of the expressed wish of Mrs. Bochmann not to have anything more to do with the property in any of its phases.

When Hall was asked if Mrs. Dwyer had consulted him with reference to the question as to whether she should report the property received as a gift on TFR-300, he replied:

"Yes, she did. We certainly talked about it. And, you want to know what I said to her? I said I don't like to take the responsibility of telling you. In my judgment you have a clear title with no strings to it. But, on the other hand, you must

1/ Exhibits 1, 2, and 3 attached to transcript.

remember all the time there was no question of a war [illegible] this thing happened. On the other hand, as you know human nature if the time comes when everything is wide open in Germany and they have a civilized government instead of a government that cuts people's heads off, this lady, or whoever she represents if it isn't her own property, is quite likely to come and say well, of course, yes, I gave you this property but I was in distress at the time and you surely didn't think I would not expect you to do something for me. I think that is to be anticipated. Here you are with a law that says you have to report property held for a foreign national and while you and I are both clear in our minds as to your title, some government official charged with the duty of investigating it if this lady shows up three or four years from now and makes the claim that she didn't really intend it that way, that we must have been able to understand she was trying to protect herself, it will raise a question. My own view is that I would report it claiming it as mine, of course, but telling the authorities the facts so they may make their investigation now. But, I said, I would rather you consulted a lawyer, a competent lawyer who don't know you or mor or anybody connected with the thing. Take his advice and she did that and he advised her to file a report which she did file, which was prepared under his supervision."

William Graupner stated he was born in Germany in 1869, immigrated to the United States in 1891 and was naturalized in 1899. That while he has never met Jennie Bochmann, he has known Kurt Schmeider since 1925. Schmeider approached him in 1934 and asked him if he could be of assistance to his relative, Mrs. Bochmann, who had a custodian account in the New York Trust Co. In 1935 Schmeider asked Graupner to direct Hall to form a corporation which had been discussed by Schmeider and Hall earlier that year. Graupner said he suspected a large part of the securities in the name of Mrs. Bochmann, which were to be transferred to the new corporation, were Schmeider's but that he did not go into the details. Later it became apparent that Schmeider was the owner of a large part of these holdings. In this connection Graupner related that he had asked Schmeider to supply the bills of purchase for certain securities which perhaps might have to be sold and would be able to lend proper value of purchase or sale and eventually gain or loss. It took some time before he got them but he did get a few of those purchase bills, and that indicated in his mind that Schmeider was the owner of the property, or a large share. He said the purchase bills, were probably now among the records of Stoneleigh Corporation.

Subsequent to the formation of the corporation Schmeider told Graupner while he was in Germany in 1937, that Mrs. Bochmann was reluctant to have anything more to do with it, which was evidenced by her failure to promptly sign papers submitted to her for signature by Hall. He (Schmeider) asked Graupner upon his return to New York, to consult with Hall and find a solution. Graupner did consult Hall and in the Spring of 1937 upon his return to Germany told Schmeider that Hall had advised a gift of the property as the only solution. In the Fall of that year Schmeider instructed Graupner upon his return to New York to advise Hall to draw up such papers as were necessary to make a gift of the property. Schmeider left to Graupner and Hall the choice of the person who was to receive the property.

Mrs. Helen B. Dwyer stated she was born in Connersville, Indiana. She completed high school in 1913 and worked in a brokerage house in Indiana for a while. In 1918 she was married to a man who was in the Navy and traveled with him from place to place until 1922 at which time she obtained work in Washington, D.C. with the U.S. Government. In 1929 she left the employ of the Government and has since been employed by Mr. Hall. On March 30, 1938, 500 shares of Stoneleigh Corporation were transferred to her by Jennie Bochmann. She said she was not related to Mrs. Bochmann, had never met her or corresponded with her.

After the transfer of the stock she immediately dissolved the corporation and transferred the securities held by it ot her own name in a custodian account with the New York Trust Co. The securities received from Stoneleigh Corporation and the income or substituted securities have been for the most part kept segregated from her other property. She said she could establish from her records just how much money or how many securities now in her name have been derived from the Stoneleigh gift. Mrs. Dwyer stated that she used part of the income for living expenses.

On October 31, 1941, she filed a TFR-300 report in connection with this property. Prior to filing this report she consulted Mr. Hall who advised her to talk to another attorney. She then talked to George Z. Medalie who advised her to make the report. She said in reference as to what reasons prompted her to make the report:

> "Well, I think, the reasons were that we did not know the actual reason for making the gift and to avoid any question of possible concealment if they should come back to me and ask for the property back. If Mrs. Bochmann should, it was better to make a record of having received a gift under the circumstances that I did receive it."

Mrs. Dwyer concluded her statement by saying that she was now a widow.

TH CARLAN:RS 9/23/43

E83

PLAINTIFF'S EXHIBIT 10 - LETTER OF OCTOBER 16, 1943 TO FEDERAL RESERVE BANK OF N.Y. FORMING PART OF EXHIBIT 10

October 16, 1943

Federal Reserve Bank of New York,
Foreign Funds Control Department,
70 Pine Street,
New York, N.Y.

Att: Mr. A.J. Scott

Dear Mr. Scott:

I enclose Mrs. Dwyar's report of withdrawals and expenditures under License No. 567747.

I also enclose a new application for the balance of the present month. You will note that she redeposited in the New York Trust Company account $140, which sum represented a balance of travelers' checks uncashed at the end of her vacation on October 13, 1943. This left only $13.25 in cash in her hands as of yesterday. I shall therefore appreciate your taking as prompt action as possible on the enclosed application. #6

Very truly yours,

LHHJr:hd
Encl (2)

HKagb
File No.: F-63-1744

E84

PLAINTIFF'S EXHIBIT 40 - DEPARTMENT OF JUSTICE FILE MEMO - H. KOVAN

August 1, 1946

MEMORANDUM TO: The Files

FROM: Harold Koven HK

SUBJECT: Mrs. Helen B. Dwyer

On July 31, 1946 I interviewed Mrs. Helen B. Dwyer and Mr. Louis H. Hall at Room 2502, 165 Broadway, New York, N. Y. Mrs. Dwyer is the secretary to Mr. Louis H. Hall, who is a partner of the law firm of Putney, Twombly, Hall and Skidmore, which has offices at the above address.

Interview with Mrs. Helen B. Dwyer

Mrs. Dwyer gave me the following information. She resides at 240 Central Park South, New York City, and has been employed by the law firm of Putney, Twombey, Hall and Skidmore since 1929. Mr. Hall first spoke to Mrs. Dwyer in the latter part of 1937 concerning the desire of Mrs. Jenny Bochmann to dispose of 500 shares of stock which Mrs. Bochmann owned of the Stoneleigh Corporation, a Delaware corporation, and stated to Mrs. Dwyer that Mrs. Bochmann desired to make a gift of said stock and he asked Mrs. Dwyer whether she would be willing to be the recipient of the stock by way of gift from Mrs. Bochmann. Mr. Hall stated to Mrs. Dwyer that he did not know the reason why Mrs. Bochmann desired to give away said stock but inasmuch as it was Mrs. Bochmann's desire to dispose of said stock that the only way she could do it to avoid any tax questions was by way of gift. Mrs. Dwyer stated that thereafter, under date of March 15, 1938, she received a letter from Mrs. Bochmann written from Switzerland stating that Mrs. Bochmann desires to make an absolute gift to Mrs. Dwyer of the said 500 shares of stock of the Stoneleigh Corporation and a further gift of an indebtedness of said corporation to Mrs. Bochmann in the amount of $23,294.45 for cash advanced by Mrs. Bochmann to said corporation. The said letter further advised Mrs. Dwyer that Mrs. Bochmann was instructing her attorneys, Putney, Twombly and Hall, to cause the said stock of Stoneleigh Corporation to be transferred in the name of Mrs. Dwyer. 1/

1/ Mrs. Dwyer delivered to me a photostatic copy of said letter to her from Mrs. Jenny Bochmann, dated March 15, 1938, together with photostatic copies of two additional letters, dated March 15, 1938, from Mrs. Bochmann to Stoneleigh Corporation and to Putney, Twombly and Hall, relating to her said gift of the stock of Stoneleigh Corporation to Mrs. Dwyer and directing that a transfer of the stock of Stoneleigh Corporation be made to Mrs. Dwyer.

Mrs. Dwyer agreed to furnish me with a photostatic copy of the gift tax return filed with the United States Treasury Department. She further stated that the gift tax for said gift from Mrs. Boehmann was paid on March 15, 1939 in the amount of $10,784.64 by Mrs. Dwyer's personal check drawn on the New York Trust Company and that the money used to pay said gift tax was derived from assets of Stoneleigh Corporation which she received upon dissolution of said corporation on March 31, 1938. The gift tax return was executed by Herman W. Graupner, the son of William Graupner, hereinafter referred to pursuant to a tax power-of-attorney, dated March 31, 1937.

Mrs. Dwyer maintained a checking account at the New York Trust Company for many years prior to the receipt by her of the alleged gift above mentioned. Upon dissolution of the Stoneleigh Corporation, Mr. Dwyer opened a security custodian account in her name at the New York Trust Company, 10th Street Branch. Thereafter she closed out her custodian account at the New York Trust Company and deposited part of her said securities derived from the said gift with the Chemical Bank and Trust Company, 165 Broadway, New York City. In December 1943 as result of blocking action taken by the Treasury Department, the securities which Mrs. Dwyer had in her safe-deposit box at the Chemical Bank and Trust Company which were traceable to and identified as being derived from Mrs. Dwyer's alleged gift from Mrs. Boehmann were deposited pursuant to arrangements with the United States Treasury Department in a new custodian account opened in Mrs. Dwyer's name at the New York Trust Company, 40th Street Branch, which custodian account was blocked by the Treasury Department. In addition certain securities which Mrs. Dwyer had deposited with the New York Trust Company as collateral for certain loans hereinafter described were deposited in the same blocked custodian account with the New York Trust Company. These securities which were on deposit as collateral for said loans were likewise identified as being derived from said gift to Mrs. Dwyer from Mrs. Boehmann.

Mrs. Dwyer further stated that she obtained a series of loans from the said New York Trust Company, totaling $65,000, for the purpose of reinvesting the proceeds of said loans and that she deposited as collateral for said loans certain securities derived from her alleged gift from Mrs. Boehmann. She reinvested the proceeds of said loans by making a loan to Demuth Glass Works in the amount of $65,000 for which she received certain demand notes. The said loan was subsequently paid by the Demuth Glass Works and Mrs. Dwyer reinvested the $65,000 received in repayment of said loan. She is still indebted to the New York Trust Company to the extent of approximately $50,000 on the said loans.

Mrs. Dwyer further stated that prior to the blocking action by the Treasury Department, she traded in securities through the New York Trust Company and the brokerage firm of Green, Ellis and Anderson of New York City. Mrs. Dwyer further stated that prior to the year 1938 and down to the present time she had the following described banking and brokerage accounts:

1. Checking Account with the New York Trust Company

2. Savings Account with the East River Savings Bank

3. Brokerage Account with Green, Ellis and Anderson

Mrs. Dwyer has been granted Treasury License No. NY 553654-AH, dated July 1, 1943, which license was further amended by License No. NY 553654-BE, dated July 2, 1943. Under said license Mrs. Dwyer has been authorized to withdraw monthly sums ranging from $200 to $500 from her blocked account with the New York Trust Company to be used for living expenses.

Mrs. Dwyer promised to furnish me with a photostatic copy of an application which she filed with the Treasury Department for un-blocking of her bonds and securities. She further stated that the securities in her blocked custodian account at the New York Trust Company had a market value of approximately $300,000 when she recently last checked the market value of said securities.

Interview with Mr. Louis H. Hall

Mr. Hall gave me the following information. He is a partner in the law firm of Putney, Twombly, Hall and Skidmore and resides at South Main Street and Woodlawn Road, New Canaan, Connecticut. The Schmieder family are textiles manufacturers in Saxony, Germany. Mrs. Jenny Boehmann, a Swiss citizen residing in Switzerland, is a sister of Kurt Schmieder's wife. The Schmieder family supplied the money to organize the Garfield Worsted Mills in Garfield, New Jersey, which company was incorporated in 1902. In 1911 the law firm of Putney, Twombly and Hall became counsel for said company. Kurt Schmieder was associated with said company and was employed by said company for several years prior to 1911.

The first time Mr. Hall met Kurt Schmieder was in the Spring of 1935 at the home of Mr. William Graupner in Ebersdorf Thuringia, Germany. Mr. William Graupner presently resides at 1170 Fifth Avenue, New York City, and can presently be reached at The Inn at Buck Hill Falls, Pennsylvania, where he is now on vacation and is expected back sometime in September. Mr. Graupner and his associates purchased the Garfield Worsted Mills from the Schmieder interest and thereafter sold said mill in the year 1923 to Botany Worsted Mills. Mr. Louis Hall first became acquainted with Mr. Graupner about 1912. Mr. Hall's law firm continued to represent Graupner and his associates after they purchased the said mill. Mr. Graupner is a naturalized American citizen and maintained a summer home at the above address in Germany. Mr. Hall had occasion to visit Europe in the Spring of 1935 for health reasons. Mr. Graupner introduced Mr. Kurt Schmieder to

Mr. Hall in Germany during the Spring of 1935 and stated that Mr. Schmieder wanted to ask Mr. Hall some questions about American law. Mr. Schmieder asked Mr. Hall about the formation of an American corporation to hold securities and inquired as to what would be involved by way of taxes and expenses. Mr. Hall explained the tax situation in general to Mr. Schmieder and stated that the tax laws in the United States were currently being revised and that he could not give Mr. Schmieder exact information as to the tax situation but that he could report to Schmieder after his return to the United States. Schmieder did not describe the securities he desired to transfer to a corporation nor did he give any details concerning the ownership of said securities. Mr. Hall returned to the United States about June 1935.

Mr. William Graupner returned to the United States in the Fall of 1935 and advised Mr. Hall that the person for whom the American corporation was to be formed was Jenny Bochmann of Switzerland. Mr. Hall received a cable from Mrs. Bochmann in the Fall of 1935 asking him to expedite the formation of the American corporation in question. Thereafter Mr. Hall proceeded to incorporate the Stoneleigh Corporation, a Delaware corporation, incorporated on December 30, 1935. The incorporators of said corporation are Herman W. Graupner, a son of William Graupner, Louis H. Hall Jr., the son of Louis H. Hall and an associate of his father's law firm, and William B. Putney III, who was then an associate and is now a partner of Putney, Twombly, Hall and Skidmore.

The securities which were to be transferred to the Stoneleigh Corporation were held in a custodian's account of Mrs. Bochmann in the New York Trust Company. Mr. William Graupner gave Mr. Louis Hall a list of the securities in the said custodian account of Mrs. Bochmann. The Stoneleigh Corporation paid Mr. Hall's law firm the legal fees and expenses incurred for incorporating the said company.

A dividend was declared by Stoneleigh Corporation in 1936 distributing the corporate income to Mrs. Bochmann and a further dividend was declared in 1937. Mrs. Bochmann directed Mr. Hall's law firm to receive said dividends, pay the taxes thereon and deposit the balance with Stoneleigh Corporation.

In the Spring of 1937 Mr. William Graupner spoke to Mr. Louis Hall and said that Mrs. Bochmann and whoever was interested with her in the stock of Stoneleigh Corporation wanted to dispose of said stock consisting of 500 shares no par value common stock, issued in the name of Jenny Bochmann. Mr. Graupner stated that said parties desired to make disposition of said stock because of certain difficulties which they were confronted with concerning the regulations of the German Government requiring the reporting of foreign owned securities.

In the Spring of 1939 Mr. Hall stated that he had occasion to go to Europe to take care of various business matters and that he saw Mrs. Bochmann in Switzerland. She at that time stated that she had the following additional reasons for desiring to dispose of her stock in Stoneleigh Corporation:

1. Her son, who was residing in Germany, would be victimized for any part that she had in concealing foreign owned assets of German citizens.

2. She further stated that in some matrimonial action between her and her husband in which she sought alimony that she had made an affidavit that she did not own any foreign assets.

Mr. Hall stated that Mrs. Bochmann had a large house in Switzerland and rented several rooms to boarders and appeared to be a well-to-do person.

In the Spring of 1937 Mr. William Graupner reported to Mr. Louis Hall that the parties interested in the stock of Stoneleigh Corporation wanted to dispose of the stock of Stoneleigh Corporation by transferring the ownership to an American citizen as nominee for the German interest so as to thereby conceal the actual ownership by the German interest. Mr. Hall advised Mr. Graupner that the ownership of the German interest could not be concealed in this manner and would have to be reported but advised Mr. Graupner that if the German interest desired to rid themselves of all interest in said stock that they could do so. Mr. William Graupner returned to Europe in the Fall of 1937 and conferred with the interested owners of said stock and upon his return to the United States, Mr. Graupner advised Mr. Hall that the German interest desired to make complete disposition of the stock of Stoneleigh Corporation. Mr. Hall stated that he took it for granted that Kurt Schmieder had some interest in said stock but that he never ascertained the extent of the interest of Mr. Schmieder. Mr. Hall advised Mr. Graupner that he would not have anything to do with the disposition of said stock unless it were an absolute gift. Mr. Graupner instructed Mr. Hall to prepare the necessary papers to make such a gift. Mr. Hall asked Mr. Graupner who the donee of the gift would be and Mr. Hall suggested Mr. Graupner's son, Herman Graupner, but Mr. Graupner preferred to have someone else receive the gift, whereupon Mr. Hall suggested his secretary, Mrs. Helen B. Dwyer, and it was agreed that the gift would be made to Mrs. Dwyer. At that time the assets of Stoneleigh Corporation were valued at approximately $133,000.

Mr. Hall further stated that his principal purpose in seeing Mrs. Bochmann in Switzerland in the Spring of 1939 was to obtain the signature of Mrs. Bochmann on the gift tax return which was previously filed and signed by Herman W. Graupner under a tax power-of-attorney, dated March 31, 1937, which did not constitute a sufficient tax return under the Revenue Laws. Mrs. Bochmann refused to sign the gift tax return stating that she was through with the matter and did not want to have anything more to do with it.

Mr. Hall saw Kurt Schmieder in Leipzig, Germany, in the Spring of 1939 and explained to him the refusal of Mrs. Bochmann to sign the gift tax return and asked Mr. Schmieder if he could persuade Mrs. Bochmann to execute the said return.

PLAINTIFF'S EXHIBIT 4C - WILLIAM GRAUPNER 5/23/50 D.C. ACTION

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLUMBIA

MRS. HELEN B. DWYER 240 Central Park, South New York 19, New York, Plaintiff, vs. J. HOWARD McGRATH, Attorney General of the United States, Department of Justice, Washington 25, D.C., Defendant.	Civil Action No. 1182-'49.

FILED

MAY 31 1950

HARRY M. HULL, Clerk

Deposition of WILLIAM GRAUPNER taken at the offices of Putney, Twombly, Hall & Skidmore, 165 Broadway, New York, N. Y., on May 23, 1950, at 2.00 o'clock p. m., before James S. Slavin, attorney and counselor of the State of New York, commissioned to act as a notary public.

APPEARANCES:

J. EDWARD BURROUGHS, ESQ.,
GEORGE C. PENDLETON, ESQ., and
FREDERIC R. SANBORN, ESQ.,
Attorneys for Plaintiff.

HERMINE-HERTA MEYER, ESQ.,
Attorney for Defendant.

- -

(It was stipulated that the deposition may be signed before any duly qualified notary public.)

- -

W I L L I A M G R A U P N E R, called as a witness by the defendant, being duly sworn by the notary public, testified as follows:

DIRECT EXAMINATION BY MISS MEYER:

Q Mr. Graupner, when did you come to the United States? A In 1891.

Q You came here to New York? A I came to New York and lived in Passaic, New Jersey.

Q And when you were in New Jersey when you first came to the United States you were connected with the Botany Mills? A Botany Worsted Mills at that time.

Q Yes, at that time. When was that?

A That was in 1891.

Q Until what time? A About April.

Q About April? The same year? A The same year.

Q You didn't stay long with the Botany people?

A Oh, yes, I stayed with the Botany people 17 years. I perhaps misunderstood.

Q When did you leave Botany? A About 1907.

Q With what firm did you become connected then?

A Well, I founded the firm of Graupner, Love & McCabe.

Q That was your own firm? A That was our own firm and we became selling agents for the Garfield Mills.

Q And the Garfield Worsted Mills was founded by the Schmeider family? A Yes. Yes, by the Schmeiders.

Q Who were the founders of Garfield?

A In Garfield there was - let me see: A man the name of Paul Haberland, a close relative of the Schmeiders, and another man by the name of Pfenning. They were the founders. And the money came from the Schmeiders principally and from Haberland.

Q The Schmeiders were the principal stockholders?

A They were the principal stockholders at that time, at the beginning.

Q That was who? There are several Mr. Schmeiders.

A Well, there was a William Schmeider.

Q Yes. A And a Carl Schmeider.

Q Carl Schmeider? A Yes.

Q Kurt Schmeider? A Well, he was a little school boy at that time, I imagine.

Q But he came to the United States too?

A He came to the United States about 1907 I believe.

Q Then he stayed there? A And he worked in the Garfield Mills to give him practical experience in the mill work.

Q You have been connected with the Schmeider

family for quite some time? A Well, after leaving Botany, we became the sole representatives, that is, my firm, of Garfield Worsted Mills and Fostmann & Huffman.

Q Did you know the Schmeiders in Germany before you left? A I did not.

Q You met them here? A I met them here.

Q Through whom? A Through whom? Mr. Haberland.

Q You knew Mr. Haberland? A Yes. He was a friend of mine; my age; near my age.

Q You became acquainted with the Schmeider family then? A Yes, but we had no close connections. Whenever the Schmeiders visited here, that was mainly Carl Schmeider. He made several visits here.

Q And how long did ~~Carl~~ Kurt Schmeider stay here in the United States? A I really couldn't say how long, but I imagine not more than a year.

Q He came here in 1907 you say? A About.

Q And he stayed only until 1908? A Well, he worked in the mill just to give him an acquaintance with the different departments.

Q I thought he was here later.

A I don't think so. I couldn't say.

Q Did he not return to the United States on later occasions? A I can't remember.

Q 1925? A I can't remember. I couldn't say.

Q But you would know if he had come back?

A I should know, but I have no recollection of it at all.

Q But you visited regularly in Germany?

A Yes.

MR. SANBORN: With whom?

Q Well, in Germany? First generally. A Yes.

Q Did you see the Schmeiders then? A Well, not regularly. Yes, I saw them now and then. We had a summer home in Germany.

Q Well, since you had these business connections didn't you regularly see them? A Well, in those days I didn't go regularly to Germany. It was in later years that I went regularly to Germany.

Q And you knew Mr. Hal , Mr. Louis Hall, who died some time ago? A Yes. He had the Garfield connection.

Q His firm were the attorneys for the Garfield Company? A Yes.

Q For the Garfield Mills? A Yes.

Q How long ago was that that they became attorneys for the Garfield Mills? A I couldn't definitely say, but it must have been 1907 or 1908.

Q Do you know since then that Mr. Hall had been connected with this firm? A Yes.

Q Since when?

MR. BURROUGHS: She wants to know if you know how long Mr. Hall was connected with this law firm.

THE WITNESS: I don't know, but I can only imagine from what I heard Mr. Hall speak about.

Q What did he tell you? A He started around 1900, I imagine.

Q In this firm? A Well, that is all I can say at this time.

Q No, you knew that the Schmeiders had property here in the United States? A Yes. The Garfield Worsted Mills.

Q And their property had been seized during the first World War by the Alien Property Custodian?

A That is right.

Q And you also knew that later some of this property, 80 per cent of it, was returned? A Yes.

Q So you were pretty familiar with Mr. Schmeider's holdings here? A Well, only in a general way. I didn't have any details or look into the details of it.

Q When you visited with them in Germany you never discussed their connections here?

A Not those things, no.

Q I mean their property holdings. A No.

Q And the alien property? A No.

Q But you knew that there was property here belonging

to the Schmeiders? A Yes.

Q How did you know? A Well, in a general way I learned in Garfield that the shares were taken over, and I believe at certain times we bought certain shares from the Schmeiders.

Q Yes. A What time that was I couldn't say. That is only general recollection that I have.

Q How often did you go to Germany?

A Well, every four or five years in the beginning.

Q What was the beginning? A Beginning? 1891.

Q 1891? A Yes.

Q And after the first World War? A And after about 1927 or 1928 I went every year.

Q Every year? A Every year.

Q And at that time you visited your friends in Germany? A Yes. We had a house in Germany, the place where my wife came from.

Q Where was that? A Ebersdorf, Germany.

Q And you went there for business purposes too?

A No.

Q Just -- A Just for the summer. And sometimes to Bad Gastein, and we visited relatives.

Q And you visited the Schmeiders too?

A Not regularly.

Q Not regularly? A No.

Q They didn't -- A Our connections were not as close.

MR. BURROUGHS: What Schmeiders are you talking about, Miss Meyer?

MISS MEYER: The family.

MR. BURROUGHS: Which ones do you have reference to when you say did you visit them?

THE WITNESS: Either Carl or Kurt. I had no close relations with Kurt at all.

Q You knew Carl? A Carl was the only one that had been here and with whom we were a little friendly.

Q You knew Wilhelm? A That is the oldest, yes.

Q What is the relationship between Kurt and Wilhelm?

A Well, they are father and son.

Q So you saw Kurt too in Germany?

A Not regularly, no.

Q Not regularly? How often? A Until this matter came up not very often.

Q Until what matter came up? A I couldn't - well, this gift proposition. I had no close relations with Kurt Schmeider at all.

Q Now, with respect to this property here which is the object of this suit, you are informed about that of course? A Yes.

Q You know all about it? When did this question

came up for the first time, do you remember?

A No, I don't.

Q I don't want the exact -- A I don't know the time, but when I think over this thing, it must have been 1935.

Q 1935? A Well, you must have records in the files.

Q Yes. A From those records the time could be better fixed than I can tell you.

Q But at that time the question of the gift hadn't come up yet. A No. At that time, I think at the beginning of the matter --

Q Yes. A -- or the affair or whatever you call it. was when Mr. Hall visited in Ebersdorf with Mrs. Hall.

Q Yes. A He was at our house, and I believe Schmeider, Kurt Schmeider at that time - I will make it definite - called up on the phone - I think Wilhelm Schmeider didn't live at that time.

Q Yes. A Kurt Schmeider called up if he could see Mr. Hall.

Q How did he know he was there? A That I couldn't answer. Whether he heard it from his uncle, from Carl Schmeider, or whether he had telephoned and asked me, I can't tell how he came to do that, but anyway he telephoned and had a conversation with Mr. Hall on some afternoon at that place. I wasn't present there, but I was

in the house.

Q You weren't present at the conversation?

A No. I let them have the talk by themselves. That is the way I remember it.

Q And did Mr. Schmeider speak to you about the subject? A I believe he did.

Q About that visit? A I believe he did before we left for home, for the United States.

Q What did he tell you? A Well, as nearly as I can remember, it is so long ago --

Q Yes. A It is only a faint recollection I can have, but in a general way I believe he asked me to tell Mr. Hall to form a corporation, and also told me that he had spoken with Mr. Hall at the time about that subject.

Q To form a corporation? With what property?

A Well, he didn't explain to me except in a general way.

Q How in a general way? A Well, in a general way he said he had taken care of property for his sister-in-law.

Q He had taken care of property for his sister-in-law?

A Sister-in-law, yes.

Q That means -- A Which was here, and he wanted - he discussed with Mr. Hall the expenses of a corporation tax and so forth.

Q Did he indicate or did he tell you who was the owner of that property? A Well, at that time?

Q Yes. A He may have mentioned that the property was Mrs. Bochmann's.

MR. BURROUGHS: Give the first name if you can.

THE WITNESS: Jenny. It is so long ago it is almost impossible to be too definite about it. I will give it to you as well as I know.

Q Sometimes, you know, recollections come back.

A Yes.

Q Particularly when you think about it a great deal.

A Yes.

Q So Mr. Schmeider, Kurt Schmeider now, indicated that this was property belonging to Jenny Bochmann?

A Yes, I believe so.

Q His sister-in-law? A Yes.

Q Was there anything else he discussed with you with respect to this particular property? A No.

Q With respect to the ownership? A Not that I can remember.

Q He just told you what? A He told me to ask Mr. Hall, following up the conversation --

Q Yes. A He asked me to ask Mr. Hall to form a corporation.

Q Yes? To form a corporation? A Yes.

Q For what purpose? A Well, Mr. Hall would know all about it.

Q That was all he told you? A Well, that is as far as I can remember.

Q Don't you remember any details?

A No, no details.

Q Are you sure? A Yes. You see, the whole matter was not mine.

Q Yes. A So I didn't care about it. I said I would be glad to bring a message to some person.

Q Sometimes people discuss things in detail.

A No.

Q You didn't? A No.

Q And when you returned to the United States you saw Mr. Hall? A Yes.

Q And what did you tell him? A I told Mr. Hall that Schmeider had asked me to tell him to form a corporation.

Q Only just that? A Just that. Mr. Hall knew all about it and had had a conversation with Schmeider.

Q He had spoken to Mr. Schmeider? A Yes, of the holdings of Jenny Bochmann.

MR. BURROUGHS: Now you are arguing with him, Miss Meyer. He told you that they had a private conversation, Mr. Hall and Kurt Schmeider, and he assumed Mr. Hall knew all of the facts.

THE WITNESS: That is right.

Q And I am asking the question, didn't you discuss anything in detail with Mr. Hall when you came back?

A No. Only in a general way, to form a corporation for Jenny Hochmann's holdings, as far as I know.

Q That was all you discussed? A Yes.

Q And then -- A At least I don't think there was anything else to go into because that seemed to be very plain.

Q That seemed to be -- A Plain, clear.

Q It seemed to be clear? A As far as I was concerned. I had nothing to do with the matter, except to bring a message.

Q And then did Mr. Schmeider ask you to act as an officer of this corporation? A No. He left that all to the decision here of Mr. Hall.

Q Did Mr. Hall ask you to become an officer?

A No, I don't think so, because if I remember correctly I suggested that my son take a part in this and Mr. Hall take his son. I don't know who was the third one.

Q Putney? A That must be it.

MR. BURROUGHS: I think the record shows.

THE WITNESS: The record will show that. That is as nearly as I can remember that situation.

Q William B. Putney was the third? A He was the

third, yes.

Q How long did this corporation exist, do you know?

A I can only guess at it. I imagine a year or a year and a half.

Q Who were the stockholders? You know that?

A Yes. Jenny Bochmann.

Q And it was supposed to be a holding corporation for the purpose of holding her property? A Yes.

Q Or what you all considered to be her property?

A Yes.

Q Your son was an officer of that corporation?

A Yes.

Q Did you discuss with him anything about the management? A Yes. There might have been something that expired or securities would have to be exchanged or something. Yes, I did.

Q You did discuss it? A Yes.

Q You did discuss with him for instance what happened to the income? A No, I did not. I think such matters were taken care of by Mr. Hall, but I saw to it that regularly income reports were rendered to Jenny Bochmann who was the sole owner.

Q The sole owner? A Of the shares.

Q When did you know for the first time that she was not the owner of this property?

MR. BURROUGHS: Well now, he hasn't said that he ever knew that she wasn't the owner.

MISS MEYER: He has indicated that, hasn't he?

MR. BURROUGHS: I don't think so. I object to the question.

MISS MEYER: I will withdraw it.

Q Then this property was held in the name of Mrs. Bochmann, or the shares? A In the name of the corporation.

Q In the name of the corporation? A Yes.

Q But the sole stockholder was Mrs. Bochmann?

A Yes.

Q When did this situation change? A Well, that is difficult to say. I believe the first indication of that I had was before leaving - the year I can't tell you, but before leaving Schmeider he said his sister-in-law was objecting to continuing signing papers. That is all he said. When I came back I told Mr. Hall about it, and I think several months later Mrs. Bochmann wrote a letter to me.

Q To you personally? A Personally, setting forth her objection. I think that letter must be here. Do you have such a letter? I think it is the letter that on a prior hearing - now that we talk about it --

MISS MEYER: May I see it?

THE WITNESS: I was asked to look for it. Well, I didn't keep a record of those things, but I had given it to Mr. Hall, and I think somehow that must have been mixed up with some other papers. That is the first definite objection I had directly from Mrs. Bochmann.

MISS MEYER: This was a letter dated Lugano the 1st of April 1937.

MR. BURROUGHS: Hadn't you better identify that for the record as Government's Exhibit 1 for identification, and then let him identify it?

Q This is the letter of which you talk (indicating)?

A Yes, I think so. I would like to look at it.

(Marked Government's Exhibit No. 1 for identification)

Q This is the letter you were just referring to, is it, Mr. Graupner? A Yes.

Q This is in German? A Yes.

Q And this is the first letter which you received from Mrs. Bochmann? A That I couldn't say, that it is the first letter, but I believe it is the first letter saying that she didn't want - giving details as to her objections.

Q As to her objections? A Yes.

Q What kind of objections? A Shall I translate it?

Q Yes, I would appreciate it.

(Mr. Sanborn hands paper to witness.)

MISS MEYER: Is there a translation of it? May I read it?

THE WITNESS: Yes (handing to Miss Meyer).

(Miss Meyer examines paper referred to.)

Q I wish you would give me your own translation, Mr. Graupner. A All right: "As I understand, or as I see"--

Q "As I see"? A "As I see. If I understand everything correctly, the matter or affair has not been done or arranged as I agreed to. For reasons known to you I have to be excluded."

Q Yes. Doesn't it not also mean, "I have to go out of the picture"? A Yes, that is right. "I have to be excluded, or out of the picture," if you want to put it that way.

Q Yes. A "I desire not to figure any more and desire not to have anything more to do with this matter. Also no signature will be given any more", or something like that. You have to translate it not by word, but by meaning.

Q May I say something? A Yes.

Q Is it not correct when it says (reads German).

A She cannot figure.

Q Does it not mean, "I do not wish to cover up any more"? A That of course I don't know. To figure

MISS MEYER: Is there a translation of it? May I read it?

THE WITNESS: Yes (handing to Miss Meyer).

(Miss Meyer examines paper referred to.)

Q I wish you would give me your own translation, Mr. Graupner. A All right: "As I understand, or as I see"--

Q "As I see"? A "As I see. If I understand everything correctly, the matter or affair has not been done or arranged as I agreed to. For reasons known to you I have to be excluded."

Q Yes. Doesn't it not also mean, "I have to go out of the picture"? A Yes, that is right. "I have to be excluded, or out of the picture," if you want to put it that way.

Q Yes. A "I desire not to figure any more and desire not to have anything more to do with this matter. Also no signature will be given any more", or something like that. You have to translate it not by word, but by meaning.

Q May I say something? A Yes.

Q Is it not correct when it says (reads German).

A She cannot figure.

Q Does it not mean, "I do not wish to cover up any more"? A That of course I don't know. To figure

in the thing. If she also means cover up, I hardly think that is what she would say or mean.

MR. BURROUGHS: Well, just tell us what the words mean to you.

THE WITNESS: To me she doesn't want to figure in the case as a person that has anything to do with it. That is the way I would take that.

Q Does "figurieren" not mean to be a figurehead? To appear for something? A Well, I wouldn't directly say that.

MR. BURROUGHS: What is your translation?

THE WITNESS: It could be translated that way, but she doesn't want to have her name or person figure in this affair any more. That is the way I read it, and in general I read it as an objection to her connection with the whole thing. I turned it over to Mr. Hall at the time; most likely shortly after I received it on April 12, 1937.

Q Did you answer this letter? A No.

Q Which you have. A No.

Q You did not answer that letter? A No. There was no answer to be given.

Q Did you show it to Mr. Hall? A Yes, I gave it to Mr. Hall on April 12, 1937.

MISS MEYER: May I have a copy of this?

MR. BURROUGHS: I would like to give you that co . unless you are willing to let the original remain with us and let the photostat be marked for identification.

MISS GRAUPNER: I am willing, yes.

MR. BURROUGHS: And then you keep your own exhibits. You don't necessarily have to give them to the reporter.

(Photostat marked Government's Exhibit No. 1 for identification.)

Q You gave it to Mr. Hall then? A Yes.

Q This letter? A Yes.

Q Was that the first indication that this property did not belong to Mrs. Bochmann which you had?

A I think so. I don't know whether Schmeider may have said something in the fall and he told me Bochmann was objecting and that there was some family trouble going on between them. I don't know. It is so long ago.

Q Yes. Then what happened with respect to this property as far as you know? A As far as I know when I left for Germany in April or May - in April I believe.

Q 1937? A In 1937, yes, I telephoned - anyway I spoke with Schmeider and told him just such a notice had been received from Jenny Bochmann.

Q Yes. A And that I had spoken to Mr. Hall.

Q Yes. A In reference to this matter and

what should he do, because he had put that same question to me in the fall. He said "I don't know what I am going to do about it," and Mr. Hall told me that he doesn't know of any other possibility for Schmeider to dispose of that property.

Q Why dispose? A Well, because the owner, Jenny Bochmann, didn't want to have anything more to do with it and didn't want to figure in this affair.

Q Then Mr. Hall knew that it was Schmeider's property as far as you know? A Well, at that time we naturally, following this letter - it was clearer that it must have been Schmeider's entirely.

Q You discussed it with Mr. Hall? A I discussed it with Mr. Hall and Mr. Hall said at that time that the only thing he can see in a case like that is for the man to give it away because he can't take it back to Germany, and Mrs. Bochmann didn't want to figure in it any more.

Q But she was the only stockholder? A What?

Q She was the only stockholder? A Yes.

Q Of an American corporation? A Yes, the only stockholder.

Q Yes. Why did this question of a gift come up at all? Why did you discuss that?

A Well, I didn't discuss the question of a gift.

Mr. Hall said "The only way I can see for these people, is to give away that property, but if they give it away" --

Q Yes. A -- "there can be no strings attached to it." He was very definite on that, and that is the message I brought Schmeider in the spring of 1937 when I went there.

Q Then did Mr. Hall tell you before that Mr. Schmeider had told him this was his property?

A No. I didn't know.

Q Did Mr. Hall discuss with you that he suspected Mr. Schmeider wanted to get rid of this property? Did Mr. Hall discuss this with you? A No.

Q He did not? A No.

Q Well then, you went to Germany? A Yes.

Q And you saw Mr. Schmeider? A Yes, I saw Mr. Schmeider. As I say, Mr. Hall told me that the only way he can see is to give away the property.

Q The only way what? A The only way is if Jenny Bochmann is eliminated out of this matter, someone has to figure.

Q As what? A As owner of the shares.

Q As owner of the shares? A Yes, and the corporation in that case.

Q In other words, he knew or you knew by that time that Mrs. Bochmann was not the owner of the shares?

A Yes.

MR. SANBORN: I object to that. There is an ambiguity there. The question is a dual question. He knew or you knew?

MISS MEYER: I asked whether he knew.

MR. SANBORN: Or whether Mr. Hall knew.

MISS MEYER: I said "you knew." I am rather careful to confine my questions to Mr. Graupner's own knowledge.

THE WITNESS: Well, that is as nearly as I can remember.

Q You knew, or in other words you had discussed with Mr. Hall that you knew or suspected that these shares did not belong to Mrs. Bochmann?

MR. BURROUGHS: He hasn't said, Miss Meyer, that he discussed with Mr. Hall the fact that the shares did not belong to her.

MISS MEYER: I asked the question.

MR. BURROUGHS: But you put it in such a way as to --

Q Well, did you discuss it with Mr. Hall?

A I will tell you, if you ask such a question I can only --

Q You did discuss it. I asked you this question before and you said yes. A Well, I asked Mr. Hall

after I received this letter, which confirmed what Schmeider indicated in the fall when I left.

Q Yes. A That Bochmann objected, Jenny Bochmann objected to having anything further to do with it. So we surmised that it is Schmeider's property from that, but we didn't care about it.

Q Then when you went to Germany - A When I came to Germany I reported to Schmeider that this letter had been received from Bochmann. I think we left for Germany about the end of April, and I informed Schmeider that I had spoken to Mr. Hall, because he had asked in the fall.

Q Yes. A And Mr. Hall said he couldn't see anything else but that these people give their property away. He wouldn't suggest a person or anyone else to take Jenny Bochmann's place, who would have been a cover.

Q He said there had to be a cover for that property? He said that? A No. I only say that now.

Q But at that time you told me before that you and Mr. Hall -- A Yes.

Q -- if I understood you correctly, otherwise please correct me, that you and Mr. Hall said or discussed that the only way to cover up or to get rid of this property --

MR. BURROUGHS: He didn't use the words "cover up."

Q You said what? A I said the only way these people can dispose of the --

Q That is right, that is what you said.

A That is what I said.

Q To dispose of the property. A To dispose of that property.

Q Yes. A Would be to give it away, as far as I could see.

Q Why was there any need to dispose of this property? Who said that? That there was any need to dispose of this property. A I don't know that there was any immediate need, but someone had to figure in place of Bochmann, holding the property.

Q Who said that it was necessary? You said someone had to hold the property. A Yes. That is the only explanation I can give. Of course, here I am explaining partly and also partly remembering what might have been talked about at the time. It is difficult.

Q Yes. A It is a difficult proposition for me.

Q Surely. Now coming back to this conversation with Mr. Schmeider. A Yes.

Q You told him that Mrs. Bochmann had sent you this letter? A Yes.

Q Did you show it to Mr. Schmeider? A No. This letter was here.

Yes. A I only told him in a general way about it that she objected. I don't know whether I took a copy along. I really don't know. I couldn't tell you definitely.

Q And what did Mr. Schmeider tell you?

A Well, at that time - let me see I told Schmeider that Mr. Hall said --

Q Yes. A That the only way they can dispose of the property is to give it away. Schmeider naturally felt depressed and he told me that he had hoped there would be a more favorable possibility, but he would think about it and give me an answer in the fall before I left home, for home. That is as near as I can remember.

Q Did you ask him why he had not given it to Mrs. Bochmann? A No.

Q Did he tell you why he had not given it to Mrs. Bochmann? A No. I have no idea.

Q He didn't tell you why? A No. This is news to me, that Mrs. Bochmann perhaps expected this property. I don't know.

Q Mrs. Bochmann was a Swiss citizen? A Yes.

Q Living in Switzerland? A Yes.

Q So she could have really owned the property?

A Yes.

Q Without any difficulty? A Yes. She cancelled

any connection with it.

MR. BURROUGHS: That all calls for a conclusion of the witness.

MISS MEYER: Well, I thought it might revive some recollection from Mr. Graupner. After all, it would be only natural if Mr. Schmeider had discussed this angle of giving the property to Mrs. Bochmann with Mr. Graupner.

THE WITNESS: No.

Q He did not? A No.

Q And you are sure of that? A Yes; definitely clear.

Q You would remember? A That I would remember, yes.

Q Well then, what happened after Mr. Schmeider had said he would think about it? A Nothing happened until the fall when I returned here, and then Schmeider told me about his difficulties over there with the bank where he had been called to make a report.

Q Make a report about what? A Well, whatever questions they put.

Q Yes. A I think there were new questionnaires every week at that time. I don't know. Anyway, he told me about those things and he said he had thought about this situation.

Q Yes. A And if it was the only way, to give away this property.

Q Yes. A He would do so and I should tell

Mr. Hall about it. You see, he was over in Germany and in a very difficult situation.

Q Yes. A Because at that time I think the government or one of the government officials had said that they would see heads roll unless they reported and handed in their foreign holdings. So Schmeider must have been scared sufficiently at that time to come to this decision.

Q What else did he tell you when he told you about his final decision? What did he exactly tell you as far as you remember?

A Oh, that I really can't say. I had of course explained to Schmeider very clearly that Mr. Hall had emphasized that a gift must be of his own free will, absolute, and no strings attached to it; I think something like that. Those were the words in which I told Schmeider, and I told him also, if I remember correctly at that time that Mr. Hall wouldn't do anything but what the law prescribes in gifts of that kind; something like that. I think I spoke about Mr. Hall being connected with an old firm and so forth. Anyway he was satisfied to go ahead with the gift and I so reported to Mr. Hall.

Q Well, for what reason did he want to give it away? A Well, Schmeider didn't want to figure in it; Jenny Bochmann didn't want to figure in it; I

di[illegible] want to take care of his affairs. I told him right at the beginning that while I will help him --

Q Why didn't you want to take care of --

MR. [illegible]: Let him finish, please.

MISS [illegible]: I am sorry.

A Well --

(Last answer read to the witness.)

A (Continuing) -- I couldn't do more.

Q Why did you not want to be his agent here for instance? A Well, I had sufficient work with my own affairs and those of my relatives and I wouldn't take on any additional work for anyone.

Q But you could have suggested another agent?

A Well, it wasn't a question of finding an agent.

Q Why not? A Well, I don't know. That is all Mr. Hall said: they would have to give away the holdings if they didn't want to hold them themselves.

Q Why couldn't somebody hold them for Mr. Schmeider here in this country at that time in 193[illegible]

A Well, I don't know. I didn't go into their affairs to settle or straighten them out.

Q Mr. Hall -- A Mr. Hall says "That is all I can see," and I believed Mr. Hall.

Q Mr. Hall didn't tell you what his reasons were for suggesting this particular method? A No.

Q He did not? A No. The method itself was sufficient to me.

Q Why? A Well, if he wants to give it away that is his own affair.

Q He didn't want to give it away, you told me.

A Who?

Q Schmeider. A Certainly. Mr. Schmeider came to the decision to give it away.

Q Finally, yes. A Because of the suggestion of Mr. Hall that was the only way to dispose of the property.

Q Then did Schmeider suggest also who should be the recipient of this gift? A No. Schmeider said - I told him that I didn't know whom to suggest.

Q Yes. A And Mr. Schmeider said he would be satisfied if a decision was made between Mr. Hall and myself.

Q Who made the decision finally?

A Well, in the discussion with Mr. Hall he suggested my son. I said "No, I wouldn't have him do anything." And I suggested Mr. Hall's son.

Q Why did you not want your son --

MR. SANBORN: Why don't you let him finish the answer, please?

THE WITNESS: Because I didn't want my son in such affairs or take care of Schmeider's affairs.

Q You said you didn't want your son to take care of Schmeider's affairs? A Yes. He did so far in the corporation, but I didn't want him to do anything further.

Q So you thought if he would have received this property that would be a way of taking care of Mr. Schmeider's affairs? A If he would take --

Q Is that correct? A No, I didn't want my son to take care of Schmeider's affairs. That is all./

Q Why didn't you want him to accept it as a gift?

A Well, in the first place I don't think it was offered, and I told Schmeider right at the beginning that I didn't want to go into it further than to transmit messages for him; I wouldn't go into correspondence or too much about it. I declined right from the beginning to have anything in detail to do with it.

Q When it was discussed that this property should be given up -- A Yes.

Q -- why did you not want your son to become the recipient of a gift, of this gift? A No, sir. He wouldn't have earned the money, and it is not good for a young man to receive money which he didn't earn.

Q That was not your reason at that time, was it?

A Well, surely, because I didn't want him to have anything to do with it.

Q You didn't want him to have anything to do with it?

A No.

MR. SANBORN: There was a question you were answering, Mr. Graupner, some time back when Miss Meyer began interrupting you, and the question was the names of the people who were under consideration to receive this gift, and you were in the middle of your answer when you had this series of interruptions. Would you care to go back and answer that question.

THE WITNESS: Well, I think I answered it. It was my son and young Mr. Hall. I don't know. There was a third party but finally Mr. Hall suggested Mrs. Dwyer, which was entirely agreeable to me.

Q Then who drew the papers for the conveyance of the gift? A Mr. Hall did all that.

Q Who instructed him? A I didn't instruct him. I simply brought the message that Mr. Schneider would go through with the gift and Mr. Hall prepared the necessary papers.

Q The papers? A And I think of course I don't know; I think he sent them on to Jenny Bochmann for signature and she signed, as I understand.

MISS MEYER: All right. You may cross-examine.

CROSS EXAMINATION BY MR. BURROUGHS:

Q Mr. Graupner, how old are you, sir?

A I will be 81 next month.

Q Are you engaged in business at the present time?

A No.

Q How long has it been since you were engaged in business? A Oh, about 20 or 25 years.

Q So you are what we call retired? A Yes, I am retired.

Q Now, do you know Jenny Bochmann personally?

A No, I have never seen her.

Q Do you know whether or not Mrs. Bochmann had a son living in Germany at or about the time this question of the Stoneleigh Corporation and the gift arose?

A That was a little later that I learned of that.

Q But you know now -- A I couldn't definitely say when I learned of her having a son in Germany.

Q But do you know now that she had a son living in Germany at that time? A Yes.

Q Now, after the Stoneleigh Corporation was formed -- A Yes.

Q I think you told us that was in 1935?

A Well, I think it could be proven by the papers.

Q Yes. A I think in 1935 I came back to tell Mr. Hall to form a corporation. 1936 I think it was formed.

Q Now, after the Stoneleigh Corporation was formed when did you next see Kurt Schmeider? A I don't think I saw him in that year. I may have seen him in 1937, after this matter came up, but I can't definitely fix it.

Q Did you have any correspondence with him during that period? A No.

Q Now then, when you went back to Germany you had a conversation with Mr. Schmeider about the disposition of Mrs. Bochmann at that time? And when I say disposition I mean by that her attitude toward this property in the Stoneleigh Corporation. A Yes.

Q What did he tell you at that time regarding Mrs. Bochmann's attitude? A I can't say anything definitely as to that. He told me she had made objection, because I believe the corporation sent her papers for signature and she was absolutely against any signature: something like that. But that is only - I cannot fix that in a definite conversation. That is only my

Q Was it before or after you received this letter of April 1, 1937, which has been marked for identification Government's Exhibit No. 1?

A I think that was after.

Q You think it was after? A Yes.

Q Did you have any conversation -- A Wait a

minute. No. In the fall he told me about it and in April she wrote this letter.

Q So your conversation with him was prior to the receipt of the letter from Bochmann? A Yes. There were two conversations.

MR. SANBORN: By the fall you mean the fall of 1936, is that correct?

THE WITNESS: Yes. The fall before.

Q Did Schmeider say anything to you at that time about any reports that he had made to the government concerning his property in the United States?

A He spoke about something like that, but what he said I cannot remember.

Q Did he tell you that he had failed to report his ownership of the Bochmann interest, we will call it, in the Stoneleigh Corporation?

A In the German reports he failed.

Q That is what I mean. A Yes, I think he mentioned that.

Q Now, did he at that time, this is in the fall of 1936 when you were over there, ask you to consult with Mr. Hall about the possible disposition of the property? A Yes, sir, he did.

Q Do you happen to know, Mr. Graupner, whether there were penalties provided by the German law at

that time for failure of a German citizen to report his or her property either within or without Germany?

A Yes. That is when they published the rolling heads story.

Q Was it at that same time that Mr. Schmeider asked you to talk to Mr. Hall about the disposition of the property? A Well, it was in the fall.

Q 1936 you told us? A Yes - no. That was - we are now in 1936?

Q Yes. A When he first asked that question, that is right.

Q When you came back then to the United States did you talk to Mr. Hall? A I did.

Q And was it at that time that Mr. Hall told you that the only way that Schmeider could take Mrs. Bochmann out of the picture and purge himself was to give the property away? Was it at that time?

A I believe it was at that time, yes.

Q Did you report that to Mr. Schmeider by letter?

A No.

Q When did you next see him after you talked with Mr. Hall? A I saw him in 1937 after the arrival of this letter.

Q Some time in April 193, was it?

Q I believe at that time you told us you reported to Schmeider that Mr. Hall said the only way it could be done would be an absolute outright gift?

A Well, Mr. Hall said "The only way I know" --

Q The only way he knew? A Yes. I think they were the words he used.

Q Then it was Schmeider said he would think it over and let you know? A Yes, and he said he hoped there was a more favorable disposition.

Q Do you know whether Schmeider had any other property in this country at that time?

A I heard him say at one time that he had another account with the New York Trust Company, but that was only in a general way.

Q Then he told you he would think it over and let you know? A Yes.

Q Did he write to you later or did he give you his answer? A I had no correspondence with him. I think that was impossible at that time.

Q Do you know whether in the spring of 1937 when you reported back to Schmeider he was under investigation by the German authorities? A I believe it was in the bank investigation.

Q Now, have you any business or had you any business

connections with Kurt Schmeider prior to the period we have been talking about or subsequent to that period?

A No. I had some relations with him at a time prior to this matter when he had litigation pending against Colonel Johnson of the Botany Mills. I relayed some message for him at that time to his lawyer.

Q About how long was that prior?

A I couldn't tell you. It must be quite a few years before.

MR. SANBORN: Wasn't that in connection with the return of the property seized during the first World War?

THE WITNESS: I believe so. Well, anyway that was at the time I made for him a connection with another lawyer who was against Mr. Hall, and at that time they beat Mr. Hall.

MR. SANBORN: That was back somewhere in the '20s, wasn't it?

THE WITNESS: It was an Alien Property Custodian matter. So it must have been. I can't fix the time.

Q Now at the time that Schmeider returned to talk with you in the fall of 1937, prior to your return to the United States -- A Yes.

Q -- did he tell you at that time that he wanted to make this gift with reservations that at some future time he might participate in the ownership of the

property? A No, because I had very explicitly explained to him that Mr. Hall said "A gift must be of your own free will and without any strings attached to it. That means irrevocable."

Q Now, you left the impression with us a moment ago that when your son's name was suggested as the donee, that the reason you wouldn't let him do it was because you didn't want him to be handling Schmeider's affairs: Did you consider that he would be handling Schmeider's affairs after the gift was made to him?

A ~~That I can't tell you~~ No. Of course, the question of the gift was under consideration at that time. wt.

Q But I mean did you feel that if your son had taken the gift that he would have been under obligation to report to Schmeider and return any part of it to him?

A ~~Well,~~ No. I can't really say what I thought at the time, but I didn't want him to be in a such matters as the Schmeider affair was. wt.

Q You knew it was going to be an absolute outright gift, didn't you?

A I was very explicit to Schmeider to have him understand so.

Q Now, did you have any correspondence with Schmeider after you brought that message back to

Mr. Hall that Schmeider had said, "Go ahead and make the gift"? A No.

Q Did you ever get any written statements from Schmeider?

A When I told Schmeider what Mr. Hall had said, and Schmeider apparently was carefully considering the thing before he gave an answer, and he said he wants to go ahead with the gift. I told Schmeider, "Now, Schmeider, you part with a good deal of your family fortune. What is there that I can show your family in case they would come to me afterwards?"

Schmeider turned around - you have in your records a small slip of paper? I gave it to Mr. Hall at the time. Schmeider turned around and wrote this (indicating). Of course, between us, it was considered that that was for his family.

(Paper marked Plaintiff's Exhibit 1 for identification.)

Q Now, Mr. Graupner, I show you what has been marked for identification Plaintiff's Exhibit 1 and ask you if you will tell us what that is.

A "I am in agreement with the arrangement which we have discussed for my sister-in-law." I mean that is an off-hand translation, don't you think so?

MR. SANBORN: Is it signed?

THE WITNESS: Yes, signed "Kurt Schneider." That was the only thing at that time that I thought I should be covered on. I didn't think there would be any question of a man giving something away.

(Another paper marked Plaintiff's Exhibit 2 for identification.)

Q Now Mr. Graupner, will you examine Plaintiff's No. 2 for identification and tell us whether or not that is your signature appearing at the bottom?

A This is my signature.

Q Can you describe that document for us?

A Well, I wrote to Mr. Hall -

MR. SANBORN: Under what date?

THE WITNESS: Under date of June 11, 1947, when I gave him this, I think.

Q When you say you gave him this, you mean when you

enclosed Plaintiff's Exhibit No. 1?

A Yes. Shall I read this?

Q Go ahead and finish reading it, but don't say anything about it yet.

A (Witness reads paper to himself.) That is what I said.

MR. BURROUGHS: Do you want to at this time offer your Exhibit No. 1 in evidence?

MISS MEYER: Yes.

MR. BURROUGHS: All right. Let it be understood, then, Mr. Reporter, that Miss Meyer is offering her Exhibit No. 1 or Government's Exhibit No. 1, and we are offering Plaintiff's Exhibits 1 and 2.

(Marked Government's Exhibit No. 1.)

(Marked Plaintiff's Exhibits No. 1 and No. 2.)

Q Do you know how Mr. Hall happened to suggest Mrs. Dwyer's name as the recipient of this gift? Did he give you any reason why he thought it would be desirable to name her?

A I think he might have said -- he said he thought of Mrs. Dwyer because she has been a long time here and she was deserving if there was any such windfall, or something like that. I really can't remember the words that he used because those things passed my mind.

Q Did you suggest to Mr. Hall at that time that

Mr. Dwyer or someone else might hold the title to this property for Kurt Schmeider? A No, sir. I was too well aware that the gift must be outright and absolute.

Q Now, did you have occasion to talk with Mrs. Dwyer either before the gift was consummated or since it was consummated?

A At no time did I discuss this matter with Mrs. Dwyer.

Q That is, before or since?

A Before or after.

Q Now, I will ask you whether you recall receiving a further communication from Mrs. Bochmann after this Exhibit No. 1 which you have identified. Do you recall whether you received another communication?

A No.

(Paper marked Plaintiff's Exhibit 3 for identification.)

Q Now, would you examine Plaintiff's Exhibit No. 3 for identification and tell us whether that serves to refresh your recollection?

A Yes. I recognize having received this letter in 1939. I received this letter in 1939.

Q Can you tell us what the occasion was for your receiving that letter? A Well, yes. Perhaps I can translate it or I can tell you. Evidently she returned

with this letter the gift tax report which had been sent her for signature. She doesn't definitely name the gift tax report, but she said enclosed sheets, and I imagine those tax papers are the large sheets, and that is what she had reference to.

Q You knew at that time that returns had been sent to her for signature, [illegible]

A Yes. I had heard from Mr. Hall that they sent her the gift tax papers for signature. She practically repeats that she doesn't want to be annoyed with papers for signature, and so forth.

MR. BURROUGHS: I want to offer that in evidence, Miss Meyer.

(Marked Plaintiff's Exhibit 3.)

Q Do you recall having received any further communications from Mrs. Bochmann after that letter which you just identified? A No.

MR. BURROUGHS: I believe that is all.

REDIRECT EXAMINATION BY MISS MEYER:

Q I have two questions only: you said in answer to a question, "I was well aware that the gift must be absolute." Those were your words, weren't they?

A Yes.

Q Why were you well aware that the gift must be absolute? A Because I had heard that from Mr. Hall.

jsc 3 Gaupner 1-

M ...ll I believe mentioned that the gift must be absolute.

Q For what reason? A Well, for legal reasons, I presume.

Q He didn't explain to you why? A No. We didn't go into any details, but "of your own free will and absolute and free of any other ~~what do you call it?~~ "obligation" wh.

Q Well, Mr. Gaupner, we asked you in our notice to bring all correspondence or other papers. A Yes.

Q That you had with respect to this property. Do you still have any in your possession that you did not bring? A No. I passed everything that was concerning this matter to Mr. Hall.

Q To Mr. Hall? A Yes. I have nothing. I didn't keep records.

Q Are there other documents other than those introduced today or shown to you today which you turned over to Mr. Hall? A Well, I have no recollection of it, but if there was any I would have it.

Q You do not remember what you turned over?

A I had no correspondence with Schneider. I had no correspondence with Bochmann.

MISS MEYER: All right. That is all.

MR. BURROUGHS: Here is a letter that Mr. Hall wrote to Mr. Graupner (handing to Miss Meyer).

jsc 6

MISS MEYER: All right. I don't want that.

MR. BURROUGHS: Here is another one - I don't think you want it. That was written in 1949. (Handing to Miss Meyer).

William Grauperl

Subscribed and sworn to before me
this 25th day of May 1950.

Bertha E. Ronner

BERTHA E. RONNER
Notary Public, for the State of New York
No. 24-3338800
Qualified in Kings County
Kings Co. Clks. No. 386, Register
Cert. filed in N. Y. County Clk. & Reg.
Commission Expires March 30, 1951

I [illegible]
is a true [illegible]
of my [illegible]
[illegible]

[illegible] L. Slavin
[illegible]
Court

Notary Public
No. 24-9040500

THE NEW YORK TRUST COMPANY 1-114 40
FORTIETH STREET AND MADISON AVENUE

(16)

NO. 4 NEW YORK, December 14 1936

PAY TO THE ORDER OF Putney Twombly & Hall $381.34/100

Three hundred Eighty one and 34/100 DOLLARS

PAYABLE THROUGH NEW YORK CLEARING HOUSE

Stonleigh Corporation

Herman W. Graupner

Pres.

THE NEW YORK TRUST COMPANY 1-114 40
FORTIETH STREET AND MADISON AVENUE

NO. 15 NEW YORK, December 23, 1936.

PAY TO THE ORDER OF Jenny Bochmann or Putney, Twombly & Hall, Attorneys $7,200 00/100

Seven thousand two hundred & 00/100 - - - - - - - - - - DOLLARS

PAYABLE THROUGH NEW YORK CLEARING HOUSE

Stonleigh Corporation

by Herman W. Graupner

Pres

THE NEW YORK TRUST COMPANY 1-114 40
FORTIETH STREET AND MADISON AVENUE

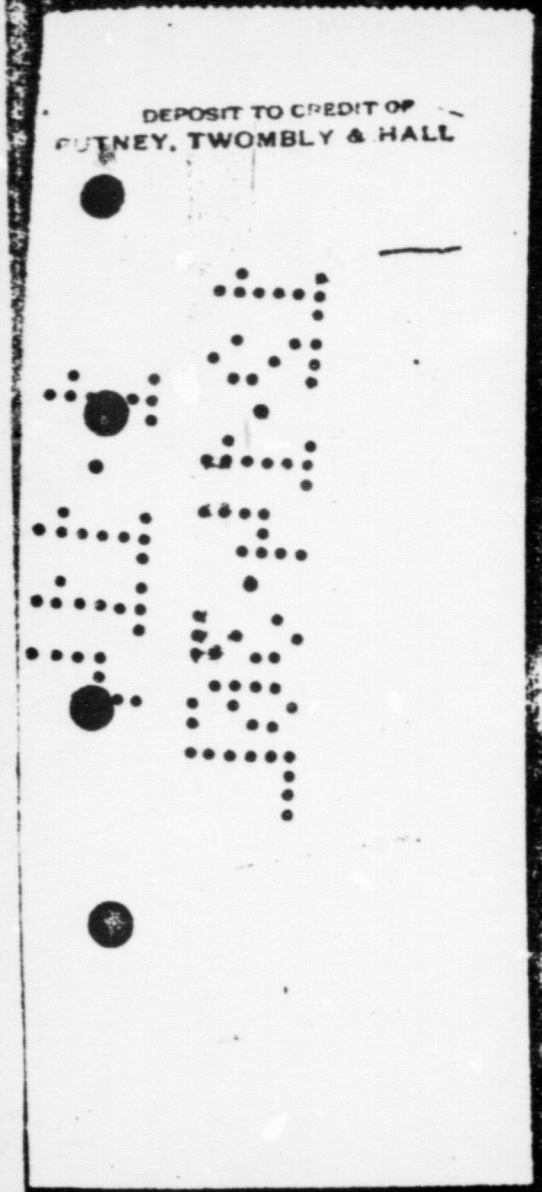
NO. 16 NEW YORK, December 28th 1936

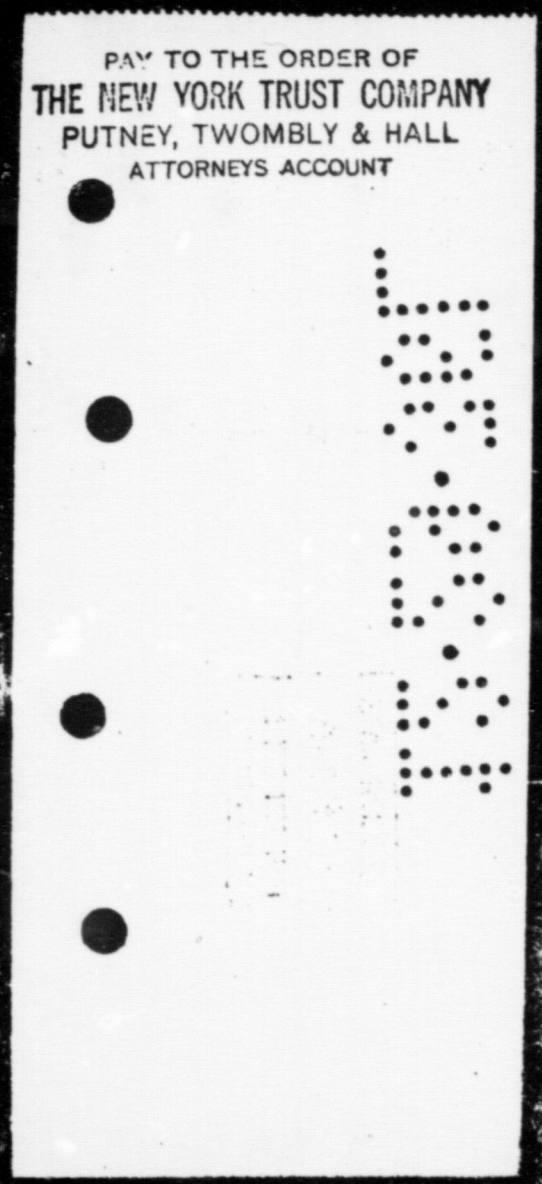
PAY TO THE ORDER OF Jenny Bochmann or Putney Twombly & Hall, Attorneys $ 297.**/xx

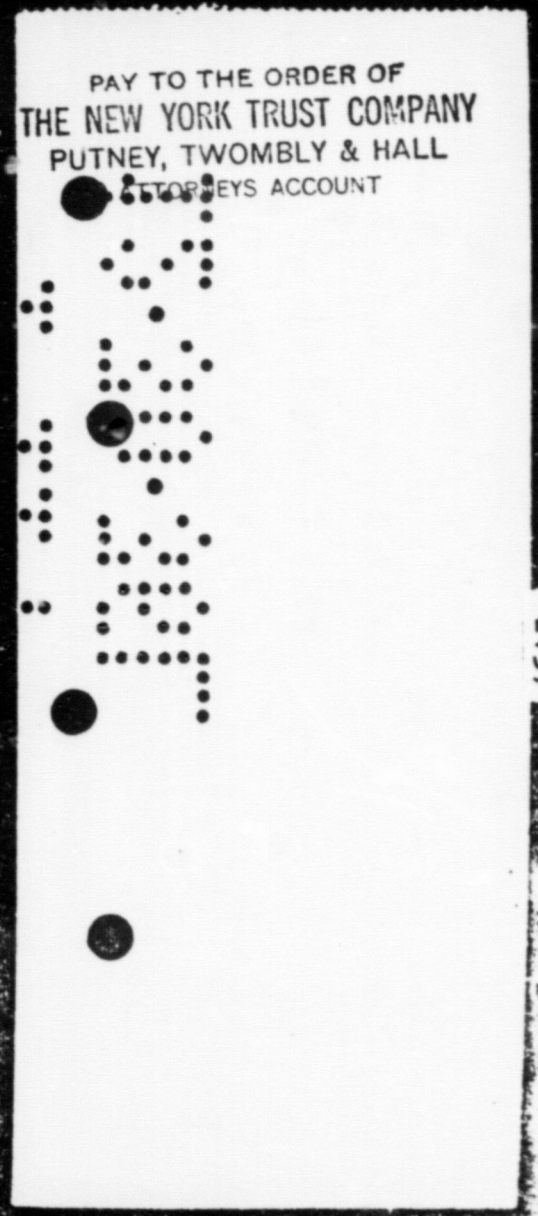
Two hundred ninety seven ****** no/100 DOLLARS

Stonleigh Corporation

by Herman W. Graupner, Pres.


DEPOSIT TO CREDIT OF
PUTNEY, TWOMBLY & HALL


PAY TO THE ORDER OF
THE NEW YORK TRUST COMPANY
PUTNEY, TWOMBLY & HALL
ATTORNEYS ACCOUNT


PAY TO THE ORDER OF
THE NEW YORK TRUST COMPANY
PUTNEY, TWOMBLY & HALL
ATTORNEYS ACCOUNT

E137

E138

STONELEIGH CORPORATION

THE NEW YORK TRUST COMPANY 1-114
FORTIETH STREET AND MADISON AVENUE

40

NO. 13 New York, August 4th 1937

PAY TO THE ORDER OF Andrie E. Reese $25 xx/100

twenty five and xx/100 DOLLARS

PAYABLE THROUGH NEW YORK CLEARING HOUSE

STONELEIGH CORPORATION

by Herman W. Graupner

STONELEIGH CORPORATION

THE NEW YORK TRUST COMPANY 1-114
FORTIETH STREET AND MADISON AVENUE

40

NO. 14 New York, 11/18 193

PAY TO THE ORDER OF JENNY BOOKMAN of PUTNEY, TWOMBLY & HALL, ATTYS. $9,000.00

NINE THOUSAND and no/00---------- DOLLARS

PAYABLE THROUGH NEW YORK CLEARING HOUSE

STONELEIGH CORPORATION

by Herman W. Graupner
Pres

STONELEIGH CORPORATION

THE NEW YORK TRUST COMPANY 1-114
FORTIETH STREET AND MADISON AVENUE

40

NO. 15 New York, December 30th 1937.

PAY TO THE ORDER OF Putney Twombly & Hall $156.63 xx

One hundred fifty six x 63/00---------- DOLLARS

PAYABLE THROUGH NEW YORK CLEARING HOUSE

STONELEIGH CORPORATION

by Herman W. Graupner
Pres.

E139

PUTNEY, TWOMBLY & HALL

PAY TO THE ORDER OF
THE [illegible] TRUST COMPANY
OF NEW YORK
FREDERICK E. REEVE

RECEIVED PAYMENT
THROUGH NEW YORK CLEARING HOUSE
PRIOR ENDORSEMENTS GUARANTEED
2 AUG -6 1937 2
FIDELITY TRUST COMPANY OF NEW YORK
THE MANUFACTURERS TRUST COMPANY
1-105 NEW YORK, N.Y. 1-108

PLAINTIFF'S EXHIBIT 10 - DONOR'S GIFT TAX RETURN FORMING PART OF PLAINTIFF'S EXHIBIT 10

E140

Form 709
TREASURY DEPARTMENT
Internal Revenue Service
Revised November 1938

GIFT TAX RETURN

CALENDAR YEAR 193__

(TO BE FILED IN DUPLICATE UNDER THE PROVISIONS OF THE GIFT TAX ACT OF 1932, AS AMENDED)

(Space for use of Collector)
RECEIVED

File copy filed with Coll. Baltimore-3/16/39
Check for $10,784.64
H.R.D attached

(Space for use of Bureau)

Mailed Airmail Special Del. 10 a.m. 3/15/39

NAME OF DONOR: JENNY BOCHMANN

ADDRESS: Viale S. Salvatore 12, Lugano, Switzerland

CITIZENSHIP: Switzerland

RESIDENCE: As above

Have you (the donor), during the calendar year indicated above, without an adequate and full consideration in money or money's worth, made any transfer exceeding $5,000 in value (or regardless of value if a future interest) as follows? (Answer "Yes" or "No.")

1. By the creation of an irrevocable trust for the benefit of another No;
2. By making additions to an irrevocable trust previously created for the benefit of another No;
3. By purchasing a policy of (other than yourself) to receive the proceeds from a revocable trust, where you possessed the power of revocation and chose during the year not to exercise it, whether such trust was created before or after the enactment, on June 6, 1932, of the Gift Tax Act of 1932 No;
4. By relinquishing a power to revoke a trust created for the benefit of another No;
5. By permitting another to withdraw funds from a joint bank account which were deposited by you no
6. By irrevocably assigning a life insurance policy, or by naming a beneficiary of a policy without retaining any of the legal incidents of ownership therein no;
7. By paying a premium under an insurance policy in which you retain none of the legal incidents of ownership and the proceeds of which are payable to a beneficiary other than yourself or your estate No;
8. By conveying title to another and yourself as joint tenants or to your wife or husband and yourself as tenants by the entirety No;
9. By any other method, direct or indirect, whereby another received a gift No.

If the answer is "Yes" to any of the foregoing, such transfer should be fully disclosed under schedule A or B.

COMPUTATION OF AMOUNT OF NET GIFTS FOR YEAR

1. Amount of gifts for year other than charitable, etc., gifts (item c, schedule A)	$128,114.91	
2. Amount of charitable, public, and similar gifts for year (item c, schedule B)	none	
3. Total amount of gifts for year (item 1 plus item 2)		128,114.91
4. Amount of charitable, public, and similar gifts for year (item c, schedule B)	$ none	
5. Specific exemption claimed (not exceeding $50,000, less total amount of specific exemption claimed for preceding years)	none	
6. Total deductions (item 4 plus item 5)		none
7. Amount of net gifts for year (item 3 minus item 6)		128,114.91

COMPUTATION OF TAX

1. Amount of net gifts for year (item 7, above)	128,114.91
2. Total amount of net gifts for preceding years (item b, schedule C)	none
3. Total net gifts (item 1 plus item 2)	128,114.91
4. Tax computed on item 3	10,784.64
5. Tax computed on item 2	none
6. Tax on net gifts for year (item 4 minus item 5)	$ 10,784.64

AFFIDAVIT

I swear (or affirm) that this return, including the accompanying schedules and statements, if any, has been examined by me, and to the best of my knowledge and belief, is a true, correct, and complete return for the calendar year stated, pursuant to the Gift Tax Act of 1932, as amended, and the regulations issued thereunder, and no transfer required by said law and regulations to be returned other than the transfer or transfers disclosed herein or on schedules A or B was made by me (the donor) during said calendar year.

NOTARIAL SEAL

Sworn to and subscribed before me this 15th day of March, 19 3

(Signature and title of officer administering oath)

JENNY BOCHMANN
By: Harmen W. Graupner, Atty.
(Signature of donor/executor)

Taxpower of atty attached dated 31st March 1937

AFFIDAVIT

I swear (or affirm) that I prepared this return for the person named herein and that this return, including the accompanying schedules and statements, if any, is a true, correct, and complete statement of all the information respecting the donor's gift tax liability of which I have any knowledge.

NOTARIAL SEAL

Sworn to and subscribed before me this 15th day of March, 19 3

Sam Malkoff Notary

F. E. Reeve
(Signature of person preparing return)

SCHEDULE A.—Gifts During Year Other than Charitable, Public, and Similar Gifts — E141

Item No.	DESCRIPTION OF GIFT, MOTIVE, DONEE'S NAME AND ADDRESS, AND RELATIONSHIP TO DONOR	DATE OF GIFT	VALUE AT DATE OF GIFT
			$
2.	500 shares Stoneleigh Corporation, together with assignment for monies advanced to Stoneleigh Corporation in the amount of $23,294.45, subject to payment of all corporate liabilities and all taxes, including gift taxes. Helen B. Dwyer, Donee 165 Broadway, New York, N.Y.	3/30/38	$ 133,114.9
(1) Total			$ 133,114.91
(2) Less total gifts not exceeding $5,000 for each donee (except future interests)			5,000.00
(3) Included amount of gifts for year other than charitable, etc., gifts			$ 128,114.91

SCHEDULE B.—Charitable, Public, and Similar Gifts During Year

Assets of Stoneleigh Corporation
on date of gift — $ 145,944.12

Liabilities of Stoneleigh Corporation
on date of gift
To donor — $ 23,294.45
Other — 2,044.57 — 25,339.02

Net Assets of Stoneleigh Corporation
at date of gift — $ 120,605.10

Value of Donor's claim for advances
to company — 23,294.45
Value of gift before deduction of tax..... $ 143,899.55

Computation of Tax.

Tax on $100,000 equals		$ 7,200.00
There is an exemption of		5,000.00
Balance also taxable	28,114.91	
	3,584.64	31,699.55

Gift received	$ 100,000.00
Also received	28,114.91
Also received (exempt)	5,000.00
Tax on $100,000	7,200.00
" on Balance	3,584.64
Totals.....	$ 143,899.55

(4) Total of preceding gifts for preceding years

2—18662

PLAINTIFF'S EXHIBIT 10 - DONOR'S GIFT TAX RETURN FORMING PART OF PLAINTIFF'S EXHIBIT 10 E142

Form 709
TREASURY DEPARTMENT
Internal Revenue Service
Revised November 1938

File copy - M. B. D.

GIFT TAX

DONEE'S OR TRUSTEE'S INFORMATION RETURN OF GIFTS

Calendar Year 193

(TO BE FILED IN DUPLICATE)

(Space for use of Collector or Bureau)
RECEIVED
Mailed to Comm.
Wash. D. C.
3/14/39 at 6 p.m.

Donor's name JENNY BOCHMANN

Donor's address Viale S. Salvatore 12 Lugano, Switzerland

Donee's name HELEN B. DWYER

Donee's address 165 Broadway, New York, N. Y.

Trustee's name

Trustee's address

Item No.	Description of property received	Date of gift	Approximate value at date of gift
1	500 Shares Stoneleigh Corporation, together with account for monies advanced to Stoneleigh Corporation in the amount of $23,294.45	3/30/38	$ 133,114.91

Pursuant to Article 21 of Treasury Department Regulations 79, I hereby give notice of the herein-described property received from the above-named donor, and certify that I have carefully read the instructions on the reverse side of this form and that all the information given herein is correct, to the best of my knowledge and belief.

Signature HELEN B. DWYER

Designation

(Address if donee's executor or administrator)

Mailed-Comm. Int.Rev.
Washington 3/13/39

Date March 13, 1939

9—16020

Assets of Stoneleigh Corporation on date of gift		$ 145,944.12
Liabilities of Stoneleigh Corporation on date of gift		
To donor	$ 23,294.45	
Other	2,044.57	
Net Assets of Stoneleigh Corporation at date of gift		25,339.02
		$ 120,605.10
Value of Donor's claim for advances to company		23,294.45
Value of gift before deduction of tax		$ ~~x~~143,399.55

Computation of tax		
Tax on $100,000		$ 7,200.00
There is an exemption of		5,000.00
Balance also taxable	28,114.91	
	3,564.64	31,699.55

Gift Received	$100,000.00
Also received	28,114.91
Also received(exempt)	5,000.00
Tax on $100,000.	7,200.00
" " balance	3,584.64
Totals	$ 143,899.55

E143

PLAINTIFF'S EXHIBIT 10 - REPORT FORM TFR-300 FORMING PART OF PLAINTIFF'S EXHIBIT 10 E144

REPORT FORM TFR-300 SERIES A: To Be Used by (1) Individual Nationals Not Engaged in Business to Report for Themselves, and (2) Other Persons to Report Property Interests of Such Nationals. (Instruction 2.)

BEFORE PREPARING THIS REPORT READ CAREFULLY THE INSTRUCTIONS IN SECTIONS I, II, III, AND IV OF PUBLIC CIRCULAR No. 4

TO THE SECRETARY OF THE TREASURY:

The undersigned, pursuant to the Regulations of April 10, 1940, as amended, issued under Executive Order No. 8389, as amended, hereby makes the following report:

Nationality.—The person concerning whose property report is being made is a national of the following country or countries (Instruction 4):

Switzerland

SEE STATEMENT ATTACHED

FOR TREASURY USE ONLY

2T		3B	
4N		5L	
6C			
7S			
8T		9F	
10N		11C	
12R			
13S			
17P		18S	

PART A: NAME OF THE NATIONAL WHOSE PROPERTY IS REPORTED. Property is reported. See STATEMENT ATTACHED

Name HENRY (First name) (Middle name) BUCHMANN (Last name)

Last known address 12 (Number) Viale (Street) San Salvatore, Lugano, Switzerland. (City) Switzerland (Country)

(Business or occupation) UNKNOWN

PART B: NAME OF PERSON MAKING REPORT (Instruction 5).

Name HELEN B. DWYER

Address Room 2502, 165 Broadway (Number) (Street) New York (City) New York (State)

Business of reporter Secretary

(Citizen of or organized under the laws of) United States

Relationship between the person making the report and the national whose property is being reported Donee and Donor (Agent, trustee, nominee, custodian, debtor, banker, broker, etc.)

PART C, SCHEDULE I: PROPERTY TYPES (Instruction 6).

Type number	Property type	Value in U. S. dollars of property held on opening of business on June 14, 1941 (a)	Value in U. S. dollars of property held on opening of business on June 1, 1940 (b)	For Treasury use only
	CLASS A: BULLION, CURRENCY, AND DEPOSITS—			
1.	Bullion	None	None	1111
2.	Currency and coin	"	"	1122
3.	Demand deposits payable in the United States	3,451.	239.	1133
4.	Other deposits payable in the United States	None	None	1144
	CLASS B: FINANCIAL SECURITIES—			
5.	United States Government obligations	"	"	1212
6.	State, municipal, and other local government obligations	"	"	1223
7.	Bonds of domestic corporations	"	"	1255
8.	Common stocks of domestic corporations	164,820.	184,210.	1266
9.	Preferred stocks of domestic corporations	593.	237.	1277
10.	Foreign securities held in the United States	2,600.	None	1288
11.	Warrants, scrip, rights, and options; other securities	None	None	1299
	CLASS C: NOTES AND DRAFTS; DEBTS TO AND CLAIMS BY NATIONAL—			
12.	Checks, drafts, acceptances, and notes	65,000.	65,000.	1310
13.	Letters of credit	None	None	1328
14.	Debts, claims, demands, and contracts	None	None	1395
	CLASS D: MISCELLANEOUS PERSONAL PROPERTY; PERSONAL PROPERTY LIENS—			
15.	Warehouse receipts, bills of lading	"	"	1415
16.	Options and futures in commodities	"	"	1426
17.	Goods and merchandise for business use, except jewelry, etc.	"	"	1481
18.	Jewelry, precious stones, and precious metals	"	"	1482
19.	Machinery, equipment, and livestock, for business use	"	"	1483
20.	Objects of art and furnishings for personal use	"	"	1484
21.	Liens on and claims to personal property, not otherwise classified	"	"	1497
	CLASS E: REAL PROPERTY; MORTGAGES; OTHER RIGHTS TO LAND—			
22.	Lands and buildings for personal use	"	"	1516
23.	Lands and buildings other than for personal use	"	"	1527
24.	Mortgages on real property; other rights to land	"	"	1598
	CLASS F: PATENTS, TRADE-MARKS, COPYRIGHTS; FRANCHISES—			
25.	Patents, trade-marks, copyrights, and inventions	"	"	1617
26.	Franchises, concessions, licenses, and permits	"	"	1618
	CLASS G: ESTATES AND TRUSTS—			
27.	Interests in estates and trusts	"	"	1629
	CLASS H: PARTNERSHIP AND PROFIT-SHARING AGREEMENTS—			
28.	Interests under partnership and profit-sharing agreements	"	"	1685
	CLASS I: INSURANCE POLICIES; ANNUITIES—			
29.	Surrender value of insurance policies; present value of annuities	"	"	1690
	CLASS J: OTHER PROPERTY—			1700
30.	Other property, not classifiable under types 1 to 29			
	TOTAL GROSS VALUE OF PROPERTY (sum of 1 to 30)	$ 236,464	$ 229,686.	1000

(The sum of the values entered for each property type must equal total gross value of property.)

After completing the above schedule, again read carefully Section III of Public Circular No. 4, relating to property classes. Have you reported the value of all property you are called upon to report herein? Answer YES or NO YES

If not, explain fully

E145

PART C, SCHEDULE II: INDEBTEDNESS TYPES (Instruction 7).

Type number	Indebtedness type	Indebtedness as of June 14, 1941 (Value in U. S. dollars) (a)	Indebtedness as of June 1, 1940 (Value in U. S. dollars) (b)	For Treasury use only
31.	All indebtedness, secured by property in the United States, payable to banks in the United States	$ 55,000.	$ 60,000.	4110
32.	All indebtedness, *not* secured by property in the United States, payable to banks in the United States	None	None	4180
33.	All indebtedness, secured by property in the United States, payable to persons in the United States other than banks	"	"	4210
34.	All indebtedness, *not* secured by property in the United States, payable to persons in the United States other than banks	"	"	4280
	TOTAL INDEBTEDNESS REQUIRED TO BE REPORTED (sum of 31 to 34)	55,000.	60,000.	4000
	TOTAL NET VALUE OF PROPERTY (total gross value of property minus total indebtedness required to be reported)	161,464.	$169,585.	6000

PART C, SCHEDULE III: PROPERTY ITEMS (Instruction 8).

Type number (a)	Description or identification of property item (b)	Location of property item or place payable (c)	Value in U. S. dollars of property held on opening of business on June 14, 1941 (d)	Value in U. S. dollars of property held on opening of business on June 1, 1940 (e)
		In custodian account New York Trust Company New York, N. Y.		
6	20 shs. American Cyanamid 2nd.conv.cumu.pfd.	"	237.	237.
6	30 shs. American Cyanamid 3rd. conv.pfd.cumu.		356.	
5	200 shs. Allis Chalmers comm.	"	5,800.	5,800.
5	205 shs. American Can comm.	"	16,887.	16,887.
5	200 shs. American Cyanamid "B"	"	7,600.	7,600.
5	200 shs. Amer. Gas & Elec. Co. comm	"	4,950.	4,950.
5	25 shs. Amer. Tele. & Tele. cap.	"	3,950.	3,950.
5	100 shs. American Tob. "B"	"	6,700.	6,700.
5	100 shs. American Viscose	"	2,400.	
5	380 shs. Borden Co. cap	"		7,505.
5	200 shs. Borden Co. cap.	"	3,950.	
5	100 shs. Chesapeake-Camp Corp.	"	2,500.	
5	100 shs. Chesapeake & Ohio RR com.	"	3,700.	3,700.
5	200 shs. Cons. Ed. Co. of N.Y.	"	3,750.	3,750.
5	101 shs. Corn Products	"	4,772.	4,772.
5	105 shs. E.I.duPont de Nemours	"	15,931.	15,931.
5	100 shs. Eastman Kodak	"		13,275.
5	100 shs. Gen. Amer. Transportation	"	5,500.	
5	100 shs. General Electric	100 in 1940 " 200 in 1941	6,250.	6,250.
5	101 shs. General Motors	"	3,939.	3,939.
5	200 shs. Int'l Harvester	"	10,100.	10,100.
7	100 shs. Int'l Nickel(Canada)	"	2,600.	
5	200 shs. Int'l Salt comm.	"	8,150.	
5	100 shs. Int'l Salt	"		4,075.
5	100 shs. Kennecott Copper	"	3,675.	
5	100 shs. Kroger Grocery & Baking	"	2,525.	2,525.

(Additional property items may be listed on the next page)

On March 30, 1938 this reporter received by gift from the national 500 shares, being the entire issued and outstanding stock, of Stoneleigh Corporation, a corporation organized under the laws of Delaware. The gift was in form absolute and was so accepted by the reporter. No collateral or other agreement, oral or written, was made by the reporter. The reporter took possession of the said stock and held it as her own. Thereafter reporter caused said corporation to be dissolved and upon such dissolution as sole stockholder reporter received all the assets of the corporation which, and the proceeds of which, she has ever since held as her own absolutely. The gift was made with the provision that out of the fund all taxes, including the Federal gift tax, should be paid and the reporter duly reported the gift and caused such taxes to be paid. The reporter claims and holds the said property and the proceeds thereof as her own absolute property free of all claim of the donor or of any other person. However, because the reporter was not in any relation to the donor which would permit the reporter to be aware of the motive of the donor in making the gift or of the nature of the donor's title and because the circumstances would permit the inference that the donor's motive was to rid herself of ownership, the reporter has deemed it appropriate to make record of the matter by filing this report. The reporter does not by this filing admit any claim in favor of the national nor of any other person or persons, but claims sole and absolute title in herself. Income from the securities described in Part C, Schedule III has been taken and treated by the reporter as her own property for personal expenditures and for reinvestment. The following securities appearing in the above schedule, and $10,000 of the demand notes shown, were purchased with income from the original proceeds of the dissolution of Stoneleigh Corporation:

100 shs. American Viscose
100 shs. Chesapeake-Camp Corp.
100 shs. Int'l Salt
100 shs. Standard Oil of Kentucky

Type number (a)	Description or identification of property item (b)	Location of property item or place payable (c)	held on opening of business on June 14, 1941 (d)	June 1, 1940 (e)
5	200 shs. Mathieson Alkali Works	"	5,450.	5,450.
5	200 shs. National Biscuit Co.	"		2,525.
5	200 shs. Phillips Petroleum	"	8,800.	8,800.
5	100 shs. Montgomery Ward Co.	"		3,575.
5	315 shs. Public Service Of N.J. com.	"		6,772.
5	200 shs. Public Service of N.J. com.	"	4,300.	
5	100 shs. R.J.Reynolds Tobacco "B"	"	5,000.	5,000.
5	100 shs. Sears-Roebuck & Co.	"	7,262.	
5	100 shs. Standard Oil of Ky.	"	1,900.	
5	129 shs. Standard Oil of N.J.	"	5,079.	5,079.
5	100 shs. Texas Corporation	"	4,000.	4,000.
5	200 shs. United Gas Improvement	"		1,400.
	Cash	Used June 1 - 114 Cash received as of June 14th	(3,451.	239.
	Demand Notes of DeMuth Glass Works Inc. 89 North 11th St. Brooklyn, N.Y. as follows:	In my possession at 165 Broadway, New York City		
	Dated: Oct. 25, 1938	"	8,000.	8,000.
	Nov. 22, 1938	"	7,000.	7,000.
	Dec. 17, 1938	"	7,000.	7,000.
	Dec. 30, 1938	"	8,000.	8,000.
	Jun. 30, 1939	"	6,500.	6,500.
	Jul. 25, 1939	"	6,500.	6,500.
	Aug. 4, 1939	"	3,000.	3,000.
	Aug. 18, 1939	"	4,000.	4,000.
	Sep. 14, 1939	"	5,000.	5,000.
	Oct. 30, 1939	"	5,000.	5,000.
	Nov. 6, 1939	"	5,000.	5,000.

(Additional property items should be listed on a separate sheet provided for this purpose)

PART D: ADDITIONAL INFORMATION CONCERNING PROPERTY ITEMS (Instruction 9).

1. State the name, address, and nationality of any persons, other than the national, having any interest of any nature whatsoever, direct or indirect, in any item of property listed above, including any arising under powers of attorney, hypothecation agreements and any other powers or rights to deal with the property, or arising under any agreements restricting the national's use of the property, and legal and equitable liens on the property. Describe the nature and amount of each such interest.

None, except that all the shares of stock listed above are pledged to The New York Trust Company, New York, N.Y. as collateral security for loans to the reporter in the total amount of $50,000.

2. State any adverse or other claims, including any legal actions or proceedings whatsoever, asserted or existing against, or with respect to, any item of property listed above, stating the name, address, and nationality of the adverse or other claimants, and all relevant facts as to the nature and origin of the claim, including the exact title of legal actions or proceedings and the court in which they were brought.

None

3. State any other facts known to the person reporting bearing on the value or ownership of any item of property listed above.

None

(Additional information may be given on a separate sheet)

PART E: ADDITIONAL INFORMATION CONCERNING NATIONAL WHOSE PROPERTY IS REPORTED.

1. State any name other than that given in Part A by which he has been known or under which he has held property since January 1, 1939.

None

2. State his citizenship and address on January 1, 1939, and on June 1, 1940, if different, respectively, from the citizenship or address given in Part A of this report.

Not different

3. State the date of his latest entry into the United States unknown, the type of visa (immigrant, visitor, etc.) under which he was admitted ____, and his alien registration number ____

4. If the person concerning whose property this report is being made is a national of a foreign country by reason of any fact other than that such person has been a subject or citizen of a foreign country, state the facts determining his nationality as defined in Section 5 E of Executive Order No. 8389, as amended.

National is a Swiss subject and citizen

5. State the name and address of any person who on June 1, 1940 or June 14, 1941 leased or granted the use of any safe deposit box, safe, or other receptacle for the safekeeping of property, (a) which was maintained in the national's own name or jointly with others, or in which property belonging to the national was kept whether or not he had access thereto, and (b) to which he had access as deputy, attorney, or otherwise. Give the number or other designation of each box, safe, or other receptacle.

Name of lessor or grantor	Address	Exact title in which box held	Box number or designation	Indicate whether held June 1, 1940, or June 14, 1941, or both

No safe deposit box. The shares of stock listed are held for the reporter in custodian account by The New York Trust Company, New York, N.Y.

6. State the name, address, and nationality of any person other than the national having any interest in any box, safe, or other receptacle, or the contents thereof, reported under question 5 above, and describe the nature of the interest.

None

7. If the contents of any box, safe, or other receptacle reported in question 5 above are not entered in Part C of this report, state the reason therefor.

None

8. State the name, address, nationality, and business of any person or firm by whom he has been employed, or for whom he has been agent, under a power of attorney or otherwise, at any time since January 1, 1939.

Name	Address	Nationality	Business

Unknown

9. List directorships and executive offices in any business enterprise held by him at any time since January 1, 1939, giving the name, address, nationality, and business of the enterprise.

Name	Address	Nationality	Business

None, so far as known.

AFFIDAVIT OF PERSON MAKING REPORT (Instruction 10)

STATE OF NEW YORK }
COUNTY OF New YORK } ss:

I, HELEN B. DWYER, swear ~~(affirm)~~, that I am the person, or ~~that I am the~~ ____ (State relationship of affiant to the person making this report) of the ____ (Name of partnership, association, corporation, or other entity making this report), making this report, that ~~I am authorized to make this affidavit~~ and to the best of my knowledge and belief that the statements set forth in this report are true and accurate and all material facts in connection with said report have been set forth therein.

HELEN B. DWYER
(Signature of affiant)

Room 2502 -165 Broadway, New York City
(Address of affiant)

Subscribed and sworn to before me this 31st day of October, 1941.

[NOTARIAL SEAL] BERTHA E. RONNER
(Officer administering oath)

My commission expires ____

NOTE. This report will not be accepted unless properly signed and sworn to before an officer authorized to administer oaths, whose seal should be affixed.

A COPY OF THIS REPORT SHOULD BE RETAINED BY THE PERSON REPORTING FOR HIS FILES

U. S. GOVERNMENT PRINTING OFFICE 16—43616

DEFENDANT'S EXHIBIT J-1 - LETTER OF LANDA TO DWYER
DATED OCTOBER 22, 1948

E149

TELEPHONES NATIONAL 4056 7 8 9

CABLE ADDRESS DA ... IN

JOSEPH E DAVIES
FRANKLIN D JONES (1928)
DONALD R RICHBERG
RAYMOND N BEEBE
ALBIEN F BUSICK
SETH W RICHARDSON
ALFONS B LANDA
JAMES T WELCH

RAYMOND C CUSHWA
C ROBERT MATHIS
T PETER ANSBERRY
JAMES K COOLIDGE
DELMAR W HOLLOMAN
JOHN ALVIN CROGHAN

LAW OFFICES
DAVIES, RICHBERG, BEEBE, BUSICK & RICHARDSON
BOWEN BUILDING
815 FIFTEENTH STREET,

WASHINGTON 5, D. ..

Pet. Ex. for Ident.

October 22, 1948

Mrs. Helen Dwyer,
165 Broadway,
New York City, N.Y.

Dear Mrs. Dwyer:

Will you please send me a copy of the written opinion which I understand you received from George Medalie. I would also like to have a copy of the various wills.

I do not intend to show any of these documents to the Alien Property Custodian's office, but I would like to look them over.

I would also like the transcript of the Treasury hearing, if you have a copy available.

Very truly yours,

Alfons B. Landa

Alfons B. Landa

4-H.

DEFENDANT'S EXHIBIT J-2 - LETTER OF DWYER TO LANDA DATED OCTOBER 27, 1948 E150

October 27, 1948

Mr. Alfons B. Landa
815 Fifteenth Street N W
Washington 5, D. C.

Dear Mr. Landa:

Referring to your letter of October 22nd I did not have any written opinion from Mr. Medalie. I consulted with him at his office and under his advice the Form TFR 300 was prepared and filed. Mr. Medalie expressed the opinion that because the gift had been of a considerable sum, to a stranger to the donor, the transaction would be questioned and therefore it would be advisable to file this report in order to put the government on notice. He also expressed the opinion that if attacked my position could successfully be defended. He did not render any written opinion but, in response to my suggestion that a written opinion would be in order, said that his records would show. Mr. Hall was present with me at the time of this interview. Quite some time later, and under date of July 8, 1942, I received a bill from Mr. Medalie, which I paid and of which I enclose a copy.

I enclose my copy of the Treasury hearings held August 4, 1943 and May 31, 1945.

With respect to the record of my wills it has been my practice to destroy my will when a new one was made and I have made numerous wills from the time I married in 1918, so I am afraid I cannot give you much on this subject. While I do not see that there is anything in this will situation which will bear on the pertinent question, I can assure you that there was never any bequest to the individuals from whom the gift was derived which, I suppose, is the question in which you are interested. I will be glad, however, to discuss with you personally, at your convenience, the provisions of all my wills, insofar as I am able to recollect them.

Very truly yours,

Encl.
Registered.

October 28, 1948

DEFENDANT'S EXHIBIT J-3 - LETTER OF DWYER TO LANDA DATED OCTOBER 28, 1948 E151

Dear Mr. Landa:

Referring to your comments on possible vesting, and the allowance of living expenses to me and funds for attorney fees, etc., if vesting is actually made I wish some provision could be made so that the property could still be under my direction as much as it is under my general license, particularly as to changes in investments because I am convinced that it will depreciate no end if left to the management of the APC personnel. I feel this would be so both from lack of experience in such matters by representatives of the APC, and delays on decisions of what to do from time to time. The matter of allowing the payment of the demand loan I had at the bank is a definite example of this. The delay in that case cost me at least four months in interest and had I known the delay would be so long I could have postponed the sales for a time and received income in addition and, as the market was about that time, would have received more in gains. Since the APC is really exercising control of this fund under the present blocking arrangement, I suppose the real idea in vesting would be to permit the filing of a claim for its release and the holding of hearings on such claim, thereby giving them an opportunity to retreat more or less gracefully if convinced they could not maintain their position in court. Personally I don't see why the head of the organization couldn't overrule a subordinate official if he were convinced such decision could not be maintained and I don't see why they should feel too keenly about losing face if they decide, as I am sure the Foreign Fund Control Department did, that they had no further interest in the matter. There never were any strings attached to this gift when offered to me, express or otherwise, that I should anything with this property other than exactly as I wanted to.

Very truly yours,

DEFENDANT'S EXHIBIT J-4 - LETTER OF DWYER TO LANDA DATED OCTOBER 28, 1948 E152

October 28, 1948

Dear Mr. Landa:

As I told you, generally, on making a new will I have destroyed the old ones. I do, however, enclose herewith the only copies I have. I have made several wills since the receipt of the gift in question, in some instances because I desired to change certain small bequests, or because of the deaths of certain legatees named, or make a change of executors, but I have never, at any time, made any will which in any way limited my free disposal of any of my property, including the property received under the gift. As you will observe from the will in effect, I dispose of whatever assets may remain in my custodian account at the time of my death, and I have never made any will, since I received the property by gift, containing any other type of disposition of those assets.

I would like to point out that I am and always have been deeply appreciative of all benefits I have derived from my association as Mr. Hall's secretary and have felt that with the exception of limited family responsibilities I wanted my property to go to certain descendants of his. And I certainly feel very keenly since I received ten gift in question that I wanted most of my property to go to such descendants of Mr. Hall's. The expression of such feeling has been the general tenor of my various wills.

In the first wills made after I received this sizable gift I left most of my property in trust and a couple of wills were made by me changing only certain provisions of such trusts. The will of May 8, 1942, herewith enclosed, was made for that purpose, and you will note that certain assets are left to the son and a daughter of Mr. Hall, or to the survivor of them, or if both predecease me, to such persons as "they may by will appoint".

The codicil of December 29, 1943 was made simply to identify certain assets removed, after their blocking, from my safe deposit vault to the custodian account now maintained at The New York Trust Company.

The will of May 31, 1946, also enclosed, was drawn simply to make a couple of new bequests.

My present will, executed November 28, 1947, copy enclosed, was drawn, as you will note, to include a new bequest and to put certain funds in trust for another legatee. The considerations in making these changes are purely family matters.

The witnesses to all the above are or have been associated with this office.

Very truly yours,

PLAINTIFF'S EXHIBIT 9C - LETTER OF DWYER TO LANDA DATED OCTOBER 28, 1948 E153

October 28, 1948

Dear Mr. Landa:

As I told you, generally, on making a new will I have destroyed the old ones. I do, however, enclose herewith the only copies I have. I have made several wills since the receipt of the gift in question, in some instances because I desired to change certain small bequests, or because of the deaths of certain legatees named, or make a change of executors, but I have never, at any time, made any will which in any way limited my free disposal of any of my property, including the property received under the gift. As you will observe from the will in effect, I dispose of whatever assets may remain in my custodian account at the time of my death, and I have never made any will, since I received the property by gift, containing any other type of disposition of those assets.

I would like to point out that I am and always have been deeply appreciative of all benefits I have derived from my association as Mr. Hall's secretary and have felt that with the exception of limited family responsibilities I wanted my property to go to certain descendants of his. And I certainly feel very keenly since I received the gift in question that I wanted most of my property to go to such descendants of Mr. Hall's. The expression of such feeling has been the general tenor of my various wills.

In the first wills made after I received this sizable gift I left most of my property in trust and a couple of wills were made by me changing only certain provisions of such trusts. The will of May 8, 1942, herewith enclosed, was made for that purpose, and you will note that certain assets are left to the son and a daughter of Mr. Hall, or to the survivor of them, or if both predecease me, to such persons as "they may by will appoint".

The codicil of December 29, 1943 was made simply to identify certain assets removed, after their blocking, from my safe deposit vault to the custodian account now maintained at The New York Trust Company.

The will of May 31, 1946, also enclosed, was drawn simply to make a couple of new bequests.

My present will, executed November 28, 1947, copy enclosed, was drawn, as you will note, to include a new bequest and to put certain funds in trust for another legatee. The considerations in making these changes are purely family matters.

The witnesses to all the above are or have been associated with this office.

Very truly yours,

DEFENDANT'S EXHIBIT J-5 - LETTER OF LANDA TO DWYER DATED OCTOBER 29, 1948 E154

DAVIES, RICHBERG, BEEBE, BUSICK & RICHARDSON
815 FIFTEENTH STREET
WASHINGTON 5, D. C.

ALFONS B. LANDA
JAMES F. REILLY
RAYMOND C. CUSHWA
C. ROBERT MATHIS
T. PETER ANSBERRY
JAMES F. COOLIDGE
DELMAR W. HOLLOMAN
JOHN ALVIN CROGHAN

October 29, 1948

Mrs. Helen B. Dwyer,
165 Broadway,
New York City, N.Y.

Dear Mrs. Dwyer:

I have received your letter of October 28th, enclosing various copies of wills heretofore executed by you.

With reference to your letter regarding the management of your funds, of course, I will do everything I can in this direction. If, however, your funds are vested, this will be a difficult thing to arrange, in view of the fact that the vesting transfers title to the United States according to the theory of the law. Of course, it is my opinion that any vesting order is a nullity, as they have no authority under the statute to vest the property of a United States citizen. Their authority must flow from the fact that they take the position that the property belongs to a German and that you hold a bare legal title which they allege to be a mere cloaking operation.

I will keep you advised of any developments.

With best wishes,

Sincerely,

Alfons B. Landa

4-H.

PLAINTIFF'S EXHIBIT 32 - LETTER OF HALL, SR., TO BOCHMANN DATED NOVEMBER 8, 1935

November 8, 1935

Mrs. Jenny Bochmann,
Viale san Salvatore 12,
Lugano, Switzerland.

Dear Mrs. Bochmann: via S.S. Europe

The arrangement which we discussed in June has not heretofore been put into effect for the reason that upon my return I found proposed tax laws being considered which, if adopted, would have made the arrangement inexpedient and I therefore thought it advisable to wait and see how the situation would develop. These proposed laws were not made effective but by the time this was settled the arrival of my friend with whom the matter was discussed in june was so near that I decided it was advisable to wait his actual return in order that I might discuss the matter with him further. I have discussed the matter with him and it appears that there is no reason why under present conditions we should not arrange the matter as discussed in June. Therefore I am proceeding with it and I shall shortly forward you the documents for your signature which will be required to make it effective.

Very truly yours,

LHH:hd

PLAINTIFF'S EXHIBIT 33 - LETTER OF HALL, SR., TO BOCHMANN DATED DECEMBER 26, 1935 E156

December 26, 1935

Mrs. Jenny Bochmann,
Viale san Salvatore 12,
Lugano, Switzerland.

Via S. S. Hamburg

Dear Mrs. Bochmann:

Stoneleigh Corporation is being organized under the laws of the State of Delaware and its organization will be complete before you receive this letter. The authorized capital stock is 2,000 shares without par value, of which 500 shares are to be issued in exhcange for the property now held for your account by The New York Trust Company, and the remaining 1,500 shares will remain unissued unless and until the stockholders desire to issue further stock. There are enclosed two documents for your signature and return to us. Upon receipt of these documents from you transfer will be made as of January 1, 1936. The directors of Stoneleigh Corporation are Herman W. Graupner, Louis Hall, Jr., and William B. Putney, 3rd., the latter two being associated with our office. The stockholders of the corporation will be able, of course, at any time to make any changes they desire in the board or the officers of the corporation. The officers initially will be Herman W. Graupner, President; Louis Hall, Treasurer and William B. Putney, Secretary. Mr. Herman W. Graupner, as president, will be authorized to represent the corporation in the matter of new investments or changes in existing investments.

Very truly yours,

PUTNEY TWOMBLY & HALL

By:

LHH:hd
Enclos.

PLAINTIFF'S EXHIBIT 8 - JENNY BOCHMANN AFFIDAVIT E157

Canton of Ticino)
City of Lugano) ss.:

JENNY BOCHMANN, residing at Viale San Salvatore 12, Lugano-Paradiso, after having been duly sworn, deposes and says as follows:

I, Jenny Bochmann, affirm that the assets and securities deposited in my name with the New York Trust Company belong to my brother-in-law, Kurt Schmieder, a resident and citizen of Germany;

That these assets and securities were deposited in my name until March 15, 1938;

That I never had an interest in the Stoneleigh Corporation;

That I signed certain documents, all dated March 15, 1938, making an absolute [illegible] of the shares of the Stoneleigh Corporation to a Mrs. Helen B. Dwyer of New York at the request of Kurt Schmieder's attorney in New York. Since March 15, 1938, I have had nothing to do with the Stoneleigh Corporation or its assets.

I do not have nor ever did have an interest in said property. I further affirm that the funds deposited in my name with the Chase National Bank in New York, which have now been certified for unblocking, are my own property and that these assets are in no way related to the assets of the Stoneleigh Corporation or Kurt Schmieder.

Subscribed and sworn to before me

this 5. day of febbraio, 1948.

Jenny Bochmann

N° 1831

Lugano, 5 febbraio 1948.

La firma sopra Jenny Bochmann fu firmata in Lugano, dalla stessa mi vien vista apposta in mia presenza è autentica. Su fede

Dott. Waldstein fu dott. Bernardo di sol in Lugano notaio pubblico.

Cent. 60

For the Attorney General
[illegible]
Director, Office of Alien Property

By [illegible]

Avv. Waldo Riva, Lugano.

E158

Lugano, il 5 febbraio 48.

Il Pretore del Distretto di Lugano

La Cancelleria della Pretura della Repubblica e Cantone Ticino, Circondario di Lugano, quale delegata dalla Cancelleria del Tribunale di prima istanza di Lugano, Sig. Luigi Guglielmetti, pretore,

Bellinzona, 6 FEB 48

Il cancelliere:

Fr. 6.-

Fr. 6.-

CERTIFICATION OF NOTARY
OF THE 42ED CITY OF ATLANTA
CONSULATE GENERAL OF THE
UNITED STATES OF AMERICA

I, EUGENE W. NABEL, Consul of the United States of America,

do hereby certify that PLINIO CIOCCARI,

whose name is subscribed to the annexed instrument, is and was at the time of signing the same a Notary Public, duly commissioned and qualified, as such, and that full faith and credit are due to his official acts as such.

State Chancellor of the Canton of TICINO,

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of the Consulate General of the United States of America to be affixed, at the City of Atlanta, this Sixteenth day of February, 1948.

For use by A.P.O.
(Tariff Item no. 25)

Eugene W. Nabel

Consul of the United States of America

DEFENDANT'S EXHIBIT B - PLAINTIFF'S CLAIM FOR RETURN OF VESTED PROPERTY E159

ed States of

Department of Ju

5, 1971

I hereby certify that the a rex is a
official
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Notice of
of the Department of Ju , with
Claim - Kurt Schmieder - Form APC-1A - J
nts (15 xerox pages, 4 photostat p

In witness whereof,
hand, and caused
of Justice to be a
first above writte

agan, Chi
Section
ords Ope
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ONLY COPY AVAILABLE

ber 1947

Form approved
Budget Bureau No. 43-R257

DO NOT WRITE IN THIS SPACE

E160

Claim No. 63672
V. C. No.
Account No.

UNITED STATES OF AMERICA

DEPARTMENT OF JUSTICE

OFFICE OF ALIEN PROPERTY

NOTICE OF CLAIM FOR RETURN OF PROPERTY

NOTE.—All answers to questions on this form (except amounts and addresses) must be in English. Amounts of money must be stated in dollars. Copies of documents must be accompanied by English translations. This notice is repeated below in French and in German.

AVIS: Toutes les reponses aux questions ci-dessous doivent etre faites en anglais, sauf en ce qui concerne les noms et adresses. Le montant des sommes doit etre indique en dollars (Etats-Unis). Une traduction en anglais doit etre jointe a chaque document.

ZUR KENNTNISNAHME: Alle Antworten auf die Fragen auf diesem Formular (mit Ausnahme von Namen und Adressen) mussen in englischer Sprache gegeben werden. Geldbetrage mussen in Dollars (Amerikanische Wahrung) angefuhrt werden. Falls Abschriften von Schriftstucken verbreitet werden, mussen Übersetzungen in englischer Sprache beigefugt werden.

Please read the accompanying explanation and instructions before filling out the form

(a) Claimant's name KURT SCHMIEDER

(b) Address Hangstr. 15, Lörrach, Baden, G

c) Has claimant filed any other form claiming the same property? Yes ___ No X

If yes, give date on which claim was filed, and claim number (if known)

) Claimant's agent (if any) KATZ & SOMMERICH

) Agent's address 120 Broadway, New York 5, New York

) Is agent authorized to receive payment of money or delivery of property, if returned? Yes X No ___. If yes, an original power of attorney must be attached.

es for prosecuting this claim 10% of value of property returned (SEE Supplement to item 2. (c))

lue of property claimed Approximately $57,000., more or less (SEE Supplement to item 3.)

yments for material or services supplied, or patents licensed, to or for the United tes Government

ting order by which the Alien Property Custodian or Attorney General acquired the perty (if known) No. 7298

ntification of property claimed 530 shrs. Gt. Northern Pr. Co. Pfd.; 266 shrs. as-Boardman Pub.Corp. $3. Cum.Conv.Pfd.; 35 shrs. [illegible] Tel. & Tel. Cap. 78 shrs. Com. Edison Co.; Bond & Share; 400 shrs. [illegible] Co.; 66 shrs. adio Corp. of Am.; 200 shrs. Cap. Stock Union [illegible] Carbon Corp.; [illegible] Com. [illegible] each $100. face value [illegible] 1951 and [illegible] Goos & Co. in custody N.Y.Tr.Co. [illegible] 40th St.,N.Y. ch with said Bank.

ORIGINAL

ONLY COPY AVAILABLE

E161

Supplement to item 2. (c)

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned (hereinafter designated "claimant") hereby makes, constitutes and appoints KATZ & SOMMERICH, composed of MAURICE C. KATZ, THEO C. SOMMERICH, HENRY I. FILIKAN, DONALD I. FEYSER AND BENJAMIN BUSCH, of the City of New York, State of New York, United States of America, any member thereof, or the survivor, substitute or successor thereof, the true and lawful attorneys in fact for said claimant, and in the name, place and stead of said claimant, to demand, collect and receive, sue for and recover any and all claims of every kind, relating to real and personal property of every kind and nature whatsoever and wherever situated, which said claimant now or may hereafter be entitled to from the Government of the United States, or any branch, agency, department or officer thereof, under and by reason of the laws known as the "Trading with the Enemy Act" of October 6, 1917 and/or the "First War Powers Act, 1941", and/or any act amendatory thereof, or order, proclamation or decree pursuant thereto and in connection therewith, or any person or persons that may be liable to said claimant therefor, and any and all interest, income, or increases thereof, or of the proceeds of any part thereof, and which property is now reported to be held by or under the control of the Attorney General of the United States, Office of Alien Property, or the Treasurer of the United States, and/or which may be held by and under the control of any other person or persons and/or to protect and safeguard the interests of the undersigned in any of the property aforementioned, and to institute, bring, conduct, defend, intervene and appear generally and specially in all suits and/or legal proceedings which in any way concern the aforesaid property or property rights or of any right, title and/or interest therin, in any court or tribunal or before any commission, body, agency, department, bureau or officer of the United States or of any state or territory thereof authorized to receive and/or hear and/or adjudicate the right, claim, and/or demand of said claimant and to retain and discharge counsel and/or other persons, to compel accountings and filing of inventories, to receive and waive the issuance and service of legal process and citations of every nature and description, to receive and endorse checks, drafts, notes, bills, warrants and orders for the payment of money, to compromise, give acquittance and general releases and to execute all suitable instruments in writing, under or without seal, to carry into effect the various powers and authority herein granted.

AND this power of attorney is limited to the management, preservation and protection of property and does not authorize any disposition of property.

AND BE IT KNOWN that said claimant has revoked ,countermanded, annulled and made void and by these presents revokes, countermands and makes void any and all powers of attorney bysaid claimant heretofore dated or granted to any person or persons conferring any of the powers herein given to the above mentionedattorneys. This power of attorney shall be deemed coupled with an interest.

IN WITNES WHEREOF said claimant has hereunto caused these presents to be duly signed and sealed by person or persons thereto duly authorized, the 25th day of August 1949

Kurt Schmieder

by [signature]

Attorney in fact
pursuant to power of attorney
hereto annexed

E162

Vollmacht

Ich, Kurt Schmieder, beauftrage und bevollmächtige meinen Sohn

Rolf Schmieder,

mich in allen Vermögensangelegenheiten zu vertreten.

Mein Sohn hat die volle Befugnis, soweit ihm dies notwendig erscheint, dritte Personen, insbesondere Anwälte, mit der Vertretung meiner Vermögensinteressen zu beauftragen.

Meerane, zur Zeit Zwickau, am 2. August 1949.

Kurt Schmieder

Die vorstehende Unterschrift des

Fabrikanten Kurt Schmieder

in Meerane, Schwanefelderstrasse 6
zur Zeit Zwickau

beglaubige ich hiermit.

Nr. 335 Jahr 1949 des Notariatsregisters.

Meerane, am 2. August 1949.

Alfred Leyn, Notar

Kosten:
Wert: 100.000.- RM

Gebühr § 31 KO	80.00 DM
Umsatzsteuer	2.40 DM
	82.40 DM.

Notar: Leyn.

E163

Form No. 68
FOREIGN SERVICE
(Revised January 1942)

Certificate of Acknowledgment of Execution of an Instrument

GERMANY
(Country)

CITY OF BERLIN
(County and/or other political division)

CONSULAR SERVICE OF THE
(County and/or other political division)

UNITED STATES OF AMERICA
(Name of foreign service office)

ss:

I, Bryant Buckingham, Consul

of the United States of America at Berlin, Germany

duly commissioned and qualified, do hereby certify that on this twenty-ninth

day of August, 1949, before me personally appeared

ROLF SCHNEIDER

to me personally known, and known to me to be the individual described in, whose name is subscribed to, and who executed the annexed instrument, and being informed by me of the contents of said instrument he duly acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

In witness whereof I have hereunto set my hand and official seal the day and year last above written.

Bryant Buckingham

Consul of the United States of America.

Service No. 4610

Fee No. TWO DOLLARS

Form—When practicable all signatures to a document should be included in one certificate.

U. S. GOVERNMENT PRINTING OFFICE 16—42661-6

E164

TRANSLATION

Power of Attorney

I, KURT SCHMIEDER, charge my son

ROLF SCHMIEDER

with the errant to represent me in all acts concerning all my property and I give him all power of attorney needed.

My son has all power of attorney to substitute third persons, especially lawyers and charge them with the care for my property, interests, and claims, so far as he thinks it necessary.

Meerane, temporarily Zwickau, August [illegible], 1949.

s. KURT SCHMIEDER

The handsign above of KURT SCHMIEDER, factory owner at Meerane, Schwanfelderstr. 3, temporarily Zwickau, is herewith certified.

Nr. 335 of the notary register in the year of 1949.

Meerane, 2nd, August 1949.

s. ALFRED [illegible]

Notary Public

E165

V e r e i n b a r u n g

zwischen

Herrn Kurt S c h m i e d e r ,
vertreten durch seinen Bevollmächtigten Rolf Schmieder

und

Herrn Otto C. S o m m e r i c h

wird folgendes vereinbart:

Herr Kurt S c h m i e d e r , der Vermögenswerte in den Vereinigten Staaten besitzt, die zur Zeit von der Regierung der USA beschlagnahmt sind, beauftragt Herrn Sommerich, die Zurückgabe dieser Vermögenswerte zu betreiben. Er verpflichtet sich, Herrn Sommerich die Auslagen zu erstatten, die dieser in Verfolgung der Ansprüche des Herrn Schmieder zu machen gezwungen ist.
Ferner erhält Herr Sommerich 10% von denjenigen Vermögenswerten, die durch seine Bemühungen von der Beschlagnahme freigegeben werden.

Berlin, den 19.8.49

Rolf Schmieder

[redacted]

AGREEMENT

Between

Mr. Kurt Schmieder,
by his authorized attorney in fact Rolf Schmieder

and

Mr. Otto C. Sommerich

the following has been agreed upon:

Mr. Kurt Schmieder, who owns property in the United States which has been seized by the Government of the United States at the present time, commissions Mr. Sommerich to carry on the restitution of the said property. He assumes the obligation to reimburse Mr. Sommerich for all disbursements to be incurred by Mr. Sommerich on the occasion of the prosecution of Mr. Schmieder's claims.

In addition thereto Mr. Sommerich shall obtain 10% of such property which will be released through his efforts.

Berlin, 8.19.49

(sd) Rolf Schmieder

this item by filling out schedule 9A or 9B. If individual, fill out schedule 9A, describing it. If the group of individuals (such as co-owners or partners), fill out a schedule 9A for each member of the group. If the claimant is a corporation, association, fill out schedule 9B.

10. Owner of property on vesting date.--
(a) Give the vesting date July 30, 1946
(This means the date when the Alien Property Custodian or the Attorney General took over the property which you are now claiming. If you do not know the exact date, use the approximate date on which your property was taken, following it by the word "approximately." If you do not know even the approximate date, write "December 7, 1941," and use this as the vesting date in answering questions in this item and in item 11.)

(b) Check the one of the following statements which applies to your claim:

X (1) The claimant was the owner of the property on the vesting date.

_____ (2) The claimant is the legal representative or successor of an individual who owned the property on the vesting date.

_____ (3) The claimant is the legal representative or successor of a corporation which owned the property on the vesting date.

(If you checked number (1) above, do not use schedules 10A or 10B, but go directly to item 11. If you checked number (2) above, fill out schedule 10A. If you checked number (3) above, fill out schedule 10B.)

11. Chain of title to property.--Describe below the last transfer of title to the property. (Omit any transfer already described in Schedule 10A or 10B.)

(a) Date The vested securities were purchased prior to December 7, 1941 for the account of Claimant,

(b) By whom transferred a customer of the New York Trust Company (Madison Avenue & 40th Street, New York, N. Y.)

(c) To whom transferred and held by that bank for Claimant in the name of said bank's nominee, Cobb & Co.

(d) Nature and terms of transfer _____

(e) Consideration actually paid _____; to be paid _____

(f) If officially recorded or registered, give citation _____

If there have been any other transfers of the property since March 1, 1938, give the same information about these other transfers, using a supplement.

Attach a copy of each document of title, and of any contract pursuant to which a transfer was made, to each copy of your form. Photographic copies are preferred. If documents are in a foreign language, English translations must also be attached.

12. Other relevant information.--If there are any other facts which you deem relevant, write them on a separate sheet of paper under the heading "Supplement to item 12." You may also attach copies of any documents not previously referred to, and mark them in the same way.

13. Affidavit.--The undersigned makes the following declaration under the penalties of perjury and false swearing:

~~named in item 1.~~

(2) I am the claimant's agent, authorized by the attached power of attorney.

(3) I am an officer of the claimant corporation, ~~holding the position of~~ _____.

(b) The facts set forth in the foregoing form and in all schedules are true, and all attached documents are true [illegible] to the best of my knowledge and belief.

(c) I have no knowledge of any fact called for by the foregoing form, schedules and instructions which is not fully set forth.

(d) To the best of my knowledge and belief, the property claimed was not at any time after September 1, 1939, held or used pursuant to any arrangement to conceal any interest of an enemy of the United States.

KATZ & SOMMERICH

Signature by [illegible]

A Member of the Firm

Name of signer Henry I. [illegible]

(Please print or type)

4. Notarization.—The foregoing declaration was subscribed and sworn to (or affirmed) before me this

21st day of January, 1955

Henrietta Stieglitz

(Official title)

HENRIETTA STIEGLITZ
Notary Public, State of New York
No. 24-0150800
Qualified in Kings County
Cert. filed N. Y. Co. Clk.'s Off.
Comm. Expires March 30, 1956

ONLY COPY AVAILABLE

E169

(See APC-1A, Item 9)

CHARACTERIZATION OF INDIVIDUAL CLAIMANT

1. Name KURT SCHNIEDER

(b) Date of birth 8 (Day) Oktober (Month) 1888 (Year)

(c) Place of birth Meerane (City) Saxony (State, Province, etc.) Germany (Country)

(d) If claimant has been outside the United States (including its Territories and possessions) at any time since December 7, 1941, give the name of each country in which he was present, and the principal address at which he stayed in that country, as follows:

Country Germany from 8.Oktober 1888 (Day) (Month) (Year) to 3.January 1950 (Day) (Month) (Year)

Address Meerane,Saxony Schmiedefelderstr.6

Country Germany from 3.January (Day) (Month) (Year) to till now (Day) (Month) (Year)

Address Lörrach,Baden Hangstr.15

(If claimant has been present in enemy or enemy occupied territory since December 7, 1941, explain fully the reasons for such presence).

(If more space is needed, use a supplement)

e) Has the claimant transacted any business since December 7, 1941, personally or by agent, in Germany, Japan, Hungary, Rumania, or Bulgaria? Yes X No ____

(If yes, explain fully in a supplement)

If a citizen of Italy, set forth in the supplement whether any such transactions occurred after September 8, 1943, and describe them fully.

If the claimant has ever been a citizen of Germany, Japan, Hungary, Rumania, or Bulgaria, answer also the following question (other persons do not answer):

Has the claimant transacted any business since December 7, 1941, personally or by agent, in territory occupied by any of these nations? Yes ____ No X

(If yes, explain fully in a supplement)

Claimant's present citizenship (Name of country) Germany

(If claimant has no citizenship, write "stateless")

Explain below how your citizenship was acquired -- by birth, marriage, naturalizati etc., and give the date. Naturalized citizens should give the number of their naturalization papers. Stateless persons should cite the official act by which they were deprived of citizenship, and supply a copy if possible.

by birth

If the date given above is after December 7, 1941, explain below how your prior citizenship status was acquired:

Lörrach,7.January 1955

Kurt Schnieder

ORIGINAL

...of the Trading with the

...f yes, explain fully in a supplement and state precisely when, where, and how you were deprived of liberty, property or rights of citizenship. Give the citation of the laws, decrees, or regulations involved and supply copies of any relevant official document in which your name appears, or explain why you cannot obtain them.)

Claimant's agent has given an affirmative answer to item (g) upon information and belief, derived from correspondence with Claimant and his son, Rolf Schmieder, and from various statements and affidavits received by Claimant's agent which were made by employees of Claimant and others who knew Claimant.

According to such information, Claimant was a staunch anti-Nazi and evidenced his opposition by word and deed, including intercourse and business relationship with Jews and befriending of Jews from Nazi persecution, with the result that a manufacturing plant owned and operated by Claimant at Meerane, Germany, was shut down in 1942 by Nazi authority and thereupon looms were sold and dismantled, with consequent damage.

Copies of official documents, in which Claimant's name appears, are hereto attached as Supplements 1, 2, 3 and 4 to item (g) of Schedule 9A, together with translations thereof.

Supplement to SCHEDULE 9A (e)

Claimant had a weaving factory for clothing material at Meerane, Germany, and was conducting his business until it was shut down by order of the Nazi authorities.

o Schedule 9A (g)

Abschrift

Reichsstelle fuer Wolle
und andere Tierhaare

Berlin C 2, den 18. Juli 1942
Wallstrasse 23-24

Firma
W. & H. Schmieder

Meerane i. Sa.

Ihre Nachricht: v. 10.7.1942

IV Q/410

Betreff: Stillegung

In Ihrem Schreiben vom 10. Juli 1942 gehen Sie Satz fuer Satz meines Bescheides - IV 11 614 Q/410 - vom 1. Juli 1942 durch. Ich bin leider nicht in der Lage, Ihnen darauf noch einmal im einzelnen zu antworten. Das Ergebnis der Betriebsbesichtigung hat natuerlich mitgespielt, es haette nicht soweit in die Einzelheiten zu gehen brauchen, wie es tatsächlich gegangen ist, aber es hat nicht allein den Ausschlag gegeben.

Dass Sie im uebrigen nach wie vor die Stillegung Ihres Betriebes fuer ungerecht halten und glauben, dass Ihr Betrieb gleich leistungsfaehig ist wie ein anderer, ist eine Tatsache, die auch anderwaerts bei stillgelegten Betrieben zutrifft. Ich verstehe Ihre Gefuehle durchaus, muss Sie aber bitten, sich mit der Tatsache der kriegswirtschaftlichen Notwendigkeit Ihrer Stillegung abzufinden und von weiteren Eingaben abzusehen. Sie bringen in Ihrem Schreiben vom 10. d. M. nichts Neues mehr vor gegenueber den Gruenden vom 25. April 1942, die zur Aufhebung Ihrer Stillegung leider nicht ausreichten.

Im Auftrage

(gez.) Unterschrift

E173

[redacted]

Central Office for Wool
and other Animal Hair

Berlin C 2, July 18, 1942
23-24 Wallstrasse

Firm
W. & H. Schmieder

Meerane, Saxony

Your letter of July 10, 1942 IV Q/410

Re: Shutting down

In your letter of July 10, 1942 you go over each sentence of my order - IV 11 614 Q/410 - of July 1, 1942. Unfortunately I am not in a position to answer again in detail. The result of the inspection of the factory was, of course, also a reason and it was not necessary to enter into so many particulars as you did, but that alone did not decide the issue.

That you still believe that the shutting down of your enterprise is an injustice and that you think that your factory is as efficient asanother one, is a fact which is true also with respect to other shut-down factories. I understand perfectly your feelings, but I must ask you to put up with the shutting down of your factory on the ground of war time necesity and to refrain from other petitions. In your letter of July 10 you do not bring forward any other new arguments than in your letter of April 25, 1942, which were not sufficient to revoke the shut-down.

Upon order

(signature)

Supplement 2. to Schedule 9A (g)

Abschrift

Kanzlei des Fuehrers
der NSDAP.

Berlin W 8, den 30.1.1943
Vossstr. 4

An die
Firma W. & H. Schmieder

M e e r a n e / Sa.

A.Z. IVh/11/43
Ml/ja.

Ich bestaetige hiermit den Eingang Ihres Schreibens vom 21. 1. 1943. Sobald meine Ermittlungen zum Abschluss gekommen sind, werden Sie weitere Nachricht erhalten.

Heil Hitler!

L.S. i.A. (Ges.) Mensel

E175

[redacted]

COPY

Office of the Fuehrer
of the Nat. Social. Party

Berlin W 8, January 30, 1943
4 Vossstr.

To the
[redacted] & H. Schmieder
Meerane / Saxony

File No. IVh/11/43
Ml/ja.

I herewith acknowledge the receipt of your letter of Jan. 21, 1943. You will be notified as soon as my investigation will be terminated.

Heil Hitler!

L.S. Upon order (signed by) Mensel

E176

[illegible] 9A (g)

Abschrift

Kanzlei des Fuehrers
der NSDAP.

Berlin W 8, den 25.3.1943
Vossstrasse 4

An die
Firma W. & H. Schmieder

A.Z.: IVh/11/43
Ml/Ja.

M e e r a n e / Sa.

Mit Schreiben vom 30. Januar 1943 habe ich Ihnen mitgeteilt, dass ich Ihre Stillegungsangelegenheit in Bearbeitung genommen habe. Meine Ermittlungen haben ergeben, dass durch die weitere Verschaerfung der Lage es nicht moeglich ist, Einsprueche gegen Stillegungsbescheide nochmals aufzugreifen. Im Hinblick hierauf muss ich Ihnen davon Kenntnis geben, dass die Kanzlei des Fuehrers nicht in der Lage ist, weitere Schritte zu Ihren Gunsten zu unternehmen.

Heil Hitler!

L.S. i.A. gez. Mensel

COPY

Office of the Fuehrer
of the Nat.Social.Party

Berlin-W 8, March 25, 1943
4 Vossstrasse

To the
Firm W. & H. Schmieder
Meerane, Saxony.

File No.: IVh/11/43
Kl/Ja.

By my letter of January 30, 1943 I informed you that I started to work on the matter of your shut-down. My investigations had the result that, because of the further aggravation of the situation, it is not possible to deal again with objections against shut-down orders. With regard thereto I must inform you that the Office of the Fuehrer is not in a position to take further steps on your behalf.

Heil Hitler!

L.S. (signed by) Mensel

Der Reichswirtschaftsminister
II Text. 12504/42

Berlin-W 8, den 15. September 1942
Behrenstrasse 43

An die

Mechanische Weberei
W. & H. Schmieder

M e e r a n e /Sa.

Auf Grund Ihrer Beschwerde vom 11. August 1942 habe ich die Angelegenheit geprueft. Hierbei hat sich ergeben, dass fuer die Stilllegung Ihres Betriebes keineswegs nur die von Ihnen erwaehnte kurze Besichtigung den Ausschlag gegeben hat. Wie mir die Reichsstelle fuer Wolle und andere Tierhaare berichtet, hat in der 2. Haelfte des Monats April 1942 noch eine weitere Besichtigung Ihres Betriebes durch die Bezirksgruppe stattgefunden. Die Ergebnisse bei der Besichtigung sind zur Gesamtbeurteilung Ihrer Firma mit herangezogen worden. Unter Beruecksichtigung der Gesamtlage auf dem Spinnstoffgebiet, bei der auch leistungsfaehigere Firmen als die Ihre stillgelegt werden mussten, und in Anbetracht der Unmoeglichkeit, einen Ersatzbetrieb anstelle Ihres Betriebes stillzulegen, musste die Stillegung aufrecht erhalten werden. Die Reichsstelle fuer Wolle ist keinesfalls verpflichtet, die Stillegung von Betrieben diesen gegenueber im einzelnen zu begruenden. Die von Ihnen gegen die Reichsstelle erhobenen Vorwuerfen weise ich deshalb als ungerechtfertigt zurueck und sehe mich veranlasst, der von der Reichsstelle getroffenen Entscheidung zuzustimmen.

Die mir uebersandten Muster fuege ich wieder bei.

Im Auftrag

gez. Dr. Bauer

Beglaubigt: Kron

L.S. Kanzleiangestellte

The Minister of Economics
of the Reich

Berlin-W 8, September 15, 1942
43 Behrenstrasse

II Text. 12504/42

To the Mechanical Weaving Mill
W. & H. Schmieder

Meerane, Saxony

I examined the matter on the basis of your complaint [appeal] of August 11, 1942. The result was that the shutting down of your factory was not only based upon the short inspection mentioned by you. As the Central Office for Wool and other Animal Hair reported to me, another inspection of your factory through the District Office took place during the second half of April, 1942. The results of these inspections were part of the basis for the total judgment about your enterprise. With regard to the entire situation in the spinning industry, due to which even more efficient mills than yours had to be shut down, and in view of the impossibility to shut down another mill in lieu of your mill, the shutting down had to be upheld. The Central Office for Wools is by no means obliged to give detailed reasons for the shutting down of a mill. I reject as unjustified the reproaches raised by you against the Central Office and deem myself justified in concurring with the decision issued by the Central Office.

I herewith return the samples forwarded by you.

Upon order
(signed) Dr. Bauer

Certified: Kron
L.S. Clerk

United States of America

Department of Justice

November 5, 19 71

I hereby certify that the annexed paper is a copy of the original record which is in the official custody of the Department of Justice, to wit: Statement

German language - Rolf Schmieder, Berlin, February 7, 1949
Translation (3 photostat pages)

In witness whereof, I have hereunto set my hand and caused the seal of the Department of Justice to be affixed, this day and year first above written.

William [illegible], Chief
Certification Section
Office of Records Operations
and Management

16—31708-6

I, Rolf Schnieder, residing at Meerane, Saxony 6 Schweinfelder Strasse, declare upon oath that I shall answer to the best of my knowledge and belief the questions which Mr. Gerald Coates, Investigator, US Department of Justice, will ask me.

Q.: What information can you give me concerning the securities your father Kurt Schnieder has got in America?

A.: I am now 24 years old and have unfortunately not taken an active interest in my fathers business transactions. So I cannot give you any information concerning my father's securities in the United States, but I can hand you the following documents taken from the files:

1. a copy of a file note for major Smirnoff of October 5, 1945;
2. a copy of a letter of the New York Trust Company of March 31, 1939;
3. a copy of the notification of the foreign securities to the Meerane Reichsbank branch of October 12, 1937;
4. a copy (of a letter) to the self government of Meerane city of February 22, 1946;
5. an enclosure to the notification to the Reichsbank of April 15, 1939.

Q.: Where is your father at the moment?

A.: My father was sentenced to two and a half years in prison and is now in the Zwickau prison; thus it is of course very difficult to give any exact information. My father was convicted by the Communist court of a so-called economical crime.

Q.: Did you ask your father about the securities which were originally deposited with the New York Trust Co. on the account of Mrs. Jennie Bochmann, your father's sister in-law, and in particular about the donation to a certain Helen Dwyer said to have taken place afterwards? Did you also ask your father about an agreement made between Mr. Kurt Schmieder and Mr Hall concerning the credit accounts in the United States or the Stanleigh Corporation?

A.: Yes I discussed this matter with my father very briefly since the time I was allowed to speak to my father was very short. I am handing you a sworn statement by my father, dated July 1, 1948, wherein he confirms that the donation to Mrs. Dwyer of Mrs. Bochmann's credit balance with the New York Trust Co. and of the securities deposited there is a voluntary irrevocable donation. I was unable to find any particulars concerning that donation or any agreements that are said to have been made between the American lawyer and my father. I only wish to mention that the securities which were mentioned to the Russian authorities have nothing to do with that donation and refer to quite a separate matter. These securities come from my grandfather's property and are with the New York Trust Co. in New York. The letter to Major Smirnoff of the Russian office will give you exact information in that respect. How far my aunt Mrs. Jennie Bochmann is involved in that other matter, I cannot tell you nor could my father tell me, since, as I told you, I had too little time to speak to him. Those foreign securities

which are still in New York and which were notified to the American Military Government, were not sold at the time inspite of the order of the Deutsche Reichsbank in 1939 to the effect that all foreign securities were to be delivered to the Reichsbank for sale for the purpose of procuring foreign exchange to the German Government. At the time, my father refused to do so.

I swear that I have made these statements to the best of my knowledge and belief.

Berlin, February 7, 1949

sgd. Rolf Schmieder

Ich, Rolf Schmieder, wohnhaft Meerane, Sachsen, Schwabefelder Strasse 6, erklaere unter Eid, dass ich die Fragen, die Mr. Gerald Coates, Investigator, U.S. Department of Justice, an mich stellt, nach bestem Wissen und Gewissen beantworten werde.

F.: Welche Auskunft koennen Sie mir ueber die Sicherheiten, die Ihr Vater Kurt Schmieder in Amerika hat, geben?

A.: Ich bin jetzt 24 Jahre alt und habe mich leider mit den geschaeftlichen Transaktionen meines Vaters nicht befasst. Ich kann Ihnen deshalb auch keine Auskunft geben ueber die Sicherheiten meines Vaters in den Vereinigten Staaten, aber ichkann Ihnen auf Grund der Akten folgende Dokumente uebergeben:

1. Eine Abschrift einer Aktennotiz fuer den Major Smirnoff vom 5. Oktober 1945
2. Eine Abschrift eines Briefes der New York Trust Company vom 31. Maerz 1939
3. Eine Abschrift der Anmeldung der auslaendischen Wertpapiere an die Reichsbank Meerane vom 12. Oktober 1937
4. Eine Abschrift an die Selbstverwaltung der Stadt Meerane vom 22. Februar 1946.
5. Eine Anlage zur Anmeldung an die Reichsbank vom 15. April 1939.

F.: Wo befindet sich Ihr Vater im Augenblick?

A.: Mein Vater ist zu 2 1/2 Jahren Gefaengnis verurteilt worden und befindet

sich im Gefaengnis in Zwickau; dadurch ist es selbstverstaendlich sehr schwer genaue Auskuenfte zu geben. Mein Vater ist wegen eines sogenannten Wirtschaftsvergehens von dem kommunistischen Gerichtshof verurteilt worden.

F.: Haben Sie Ihren Vater befragt bezueglich der Sicherheiten welche urspruenglich bei der New York Trust Co. deponiert waren auf Konto der Frau Jennie Bochmann, Ihres Vaters Schwaegerin und besonders mit Ruecksicht auf die Schenkung an eine gewisse Helen Dwyer, die spaeter stattgefunden haben soll? Haben Sie Ihren Vater weiter befragt bezueglich eines Uebereinkommens zwischen Herrn Kurt Schmieder und Mr. Hall, bezueglich der Guthaben in den Vereinigten Staaten oder der Stonleigh Corporation.

A.: Ja, ich habe mit meinem Vater kurz darueber gesprochen, da ich nur sehr kurze Sprecherlaubnis hatte. Ich uebergebe Ihnen eine eidesstattliche Erklaerung meines Vaters, datiert vom 1. Juli 1948, worin er bestaetigt, dass die Schenkung von Frau Bochmanns Guthaben bei der New York Trust Co. und der dort hinterlegten Wertpapiere an Mrs. Dwyer eine freiwillige unwiderrufliche Schenkung ist. Einzelheiten ueber diese Schenkung bezw. welche Uebereinkommen stattgefunden haben sollen zwischen dem amerikanischen Rechtsanwalt und meinem Vater, konnte ich nicht ausfindig machen. Ich moechte hier nur noch erwaehnen, dass die Wertpapiere, die den russischen Behoerden angegeben worden sind, nichts mit dieser Schenkung zu tun haben und eine getrennte Sache

darstellen. Diese Wertpapiere stammen aus dem Besitz meines Grossvaters und befinden sich bei der New York Trust Co. in New York. Der Brief an Major Smirnoff von der russischen Dienststelle gibt Ihnen hierueber genauen Aufschluss. Wie weit meine Tante Frau Jennie Bochmann in die andere Sache verwickelt ist, kann ich Ihnen nicht sagen und konnte mir auch mein Vater nicht sagen, da ich ja, wie gesagt, zu wenig Zeit hatte, mich mit ihm zu unterhalten. Diese auslaendischen Papiere, die sich noch jetzt in New York befinden und die bei der russischen Militaerregierung angemeldet waren, sind seiner Zeit nicht verkauft worden, trotz der Aufforderung der Deutschen Reichsbank im Jahre 1939, welche forderte dass saemtliche auslaendischen Papiere an die Reichsbank zwecks Verkaufs abzugeben sind, um so fuer die deutsche Regierung Devisen hereinzubringen. Dies ist seinerzeit von meinem Vater abgelehnt worden.

Ich schwoere, dass ich diese Angaben nach bestem Wissen und Gewissen gemacht habe.

Berlin, den 7. Februar 1949

HOLF SCHNEIDER

DEFENDANT'S EXHIBIT G-2 - ITEM 1: MEMORANDUM FOR MAJOR SMIRNOW DATED OCTOBER 5, 1945 E187

COPY

Kurt Schmieder
Schwanefelder Str. 6

Meerane / Sa. den 5, October 1945

Memorandum for Major Smirnow:

As I explained to you verbally yesterday my father was interested to the extent of 15% in an American factory called Garfield Worsted Mills in Passaic since 1901. I was in America only once, in 1908-1909, and at that time became acquainted with Mr. McCabe and Mr. Love. who were also interested in the afo ementioned concern; they probably have passed on in the meantime.

Since the outbreak of war in 1937 (?-1917) a part of the shares were sold to Americans as I heard at that time and the amount realized - also in 1917 - were transferred to Germany. The American State then (some words indistinct, but probably confiscated) the balance and after years returned 80%. I too at that time - as much as I can remember - also had a portion sent to me in Germany and of the remainder securities were bought of which you will find a list enclosed. These are deposited with The New York Trust Company in New York. In 1937 I was supposed to deliver these securities to the Nazi regime and furthermore in 1939 demands for handing over these securities were made several times. I refused to hand over the securities, that is, to sell them. Since the (two words illegible) from my letter (some words illegible, but might be "of fifteen four") - approximately 454,000. What the current values today are for these securities I do not know as at the moment I am not in communication with the bank.

(Several words illegible, might be "my business"? as I told you yesterday - I have no more dealings with America since 1912.

Typewritten signature - Kurt Schmieder.

DEFENDANT'S EXHIBIT G-2 - ITEM 2: LETTER TO KURT SCHMIEDER FROM H.M. PLATT DATED MARCH 31, 1939 E188

Copy

The New York Trust Company

New York, March 31, 1939
100 Broadway

Kurt Schmieder Esq.
Meerane, Sa.
Germany

Dear Mr. Schmieder:

In accordance with your letter of March 23rd, we list below the closing quotations on the stocks referred to.

Radio Corporation	Bid 5 Offered: 6 1/8
Simon Boardman Publishing Corp.pfd.	Bid 15 Offered 17
Great Northern Ry. Co.	Bid 19 3/4 Offered 20 1/4
Electric Bond & Share	Bid 7 7/8 Offered: 8

Very truly yours,

THE NEW YORK TRUST COMPANY

By: H. M. Platt

 The I and II copies were received by us

III Copy (Execution)

(all three copies must be delivered to the proper Reichsbank branch no later than 20 October 1937, the III Copy will be returned to the deliverer alone with acknowledgement of receipt.

Report of foreign securities
pursuant to the 10th decree for execution of the law concerning Foreign Exchange

No.	Par Value or Number of Currency	Securities Amount or No. of shares	Exact description of the securities with mention of rate of interest year due or year issued, series of other description (for example "CC Stuecke" "Schroeder Stuecke")	If the securities have been called give date
1.	$ 66	66 4/6	Radio Corporation	--
2.	"	35 sh	American Telephone & Telegraph Co.	
3.	"	400 sh	General Electric	
4.	"	200 sh	Union Carboid & Carbon Co.	
5.	"	266 sh	Simon Boardman Publishing Co.	
6.	"	500 sh	Great Northern Railway	
7.	"	77 sh 205/600 sh	Electric Bond & Shares	

To The
Reichsbank
in Meerane (Sa.)

The securities are deposited for ----- in
(See 1(1) last sentence of the law)
The above statements were made according to best knowledge and conscience.

Meerane, the 12 October 1937
signed - signature Schwanefelder Str.6
German

Above copy agrees word for word with the original and is herewith attested by a notary public

Stuttgart the 8 Nov. 1949
Notary Public signature

DEFENDANT'S EXHIBIT G-2 - ITEM 4: REPORT OF FOREIGN SECURITIES E190

To the Authorities of the City of Meerane

Concerning the property of the deponent
Kurt Schmieder, Businessman
Meerane, Schwanefelder Str. 6

In compliance with the order of 5 Januar. 1946 of the Commander of the Soviet Military Administration in Germany I declare herewith, having reference to No. 3 that the following securities in the name of Kurt Schmieder are in a foreign country. I herewith declare that these statements are complete and true and that I swear to their correctness and am ready to carry the full responsibility.

---

1. Russian text:
   Translation: List the name of the town in which the securities are located in banks, trust companies, organization, businesses, firms (exact description and their location) (City, Country, in the case of private persons their first and last names, their citizenship and their domicile)
   Answer: New York Trust Company, New York, 100 Broadway

2. Description of the securities (stocks, obligations, checks, remittances to foreign banks, exchange, patents, various insurance policies of foreign companies and other financial documents)
   Answer: Shares

3. Description of the securities (registered in a name or registered in the name of a concern)
   Answer: Registered in the name

4. Location (country, city and complete description of the business, the organization or firm and the institution which issued the securities)
   Answer: I do not know.

5. First and last name, citizenship, domicile of the payor of the bill of exchange or description of the foreign firm, the organization of the institution which issued the bill of exchange and its domicile)
   Answer: ----------

6. List of the securities. (Each separate and its nominal value in foreign currency, in American dollars, English pounds, etc.)
   Answer:
   35 shares Am. Tel. & Telegraph $
   66 4/6 " Radio Corporation
   400 " General Electric "
   200 " Un. Carb. & Carbon "
   200 " Simon Boardman Corp.
   530 " Great Northern R.C.
   200 " El. Bonds & Shares
   and further securities for which details cannot be given because information is not available.

E191

7. When and where were these securities bought?
   Answer: In New York 15-18 years ago.

8. For what purpose were these securities bought?
   Answer: The securities were bought for investment out of the return payment of the 80% of the U.S. (APC)

9. Under what conditions were the securities held in the United States?
   Answer: Under usual bank conditions.

10. By what documents can the ownership of the securities be confirmed (or established)?
    Answer: Correspondence with the New York Trust Company, New York. So far unknown (unknown to me at this time) Mr. Louis H. Hall, 165 Broadway, New York can give information.

(Signed) Kurt Schmieder

Dated: Meerane, 22 February 1946.

To the Authorities of the City of Meerane

Concerning the property of the deponent
Kurt Schmieder, Businessman
Meerane, Schwanefelder Str. 6

In compliance with the order of 5 January. 1946 of the Commander of the Soviet Military Administration in Germany I declare herewith, having reference to No. 3 that the following securities in the name of Kurt Schmieder are in a foreign country. I herewith declare that these statements are complete and true and that I swear to their correctness and am ready to carry the full responsibility.

---

1. Russian text:
   Translation: Location of the cash deposit (complete description of the foreign banks, firms, organization or first and last name of a private person, county and city).
   Answer: New York Trust Company, New York, 100 Broadway

2. Amount of cash deposit in foreign currency (in American dollars, English pounds, etc.)
   Answer: $1,811.75

3. In what type of account is the cash deposit (in special account, deposit, etc.)?
   Answer: In current account.

4. Source of the cash deposit (by reason or business deals or operations with foreign firms or by reason of inheritance, savings, etc.)
   Answer: From dividend payments on securities held.

5. Under what conditions were the cash deposits made with foreign banks, firms, organizations and with private persons?
   Answer: Under the usual bank conditions.

6. What documents can establish the ownership of the undersigned in the cash deposit?
   Answer: Bank statements of the New York Trust Company.

Dated: Meerane, 22 February 1946 Signed: Kurt Schmieder

Copy to be returned:

DEFENDANT'S EXHIBIT G-2 - ITEM 5: DESCRIPTION OF FOREIGN SECURITIES

Description of Foreign Securities E193

Pursuant to the second order to comply with the law of foreign exchange of 16 March 1939 and the notice of the Reichsbankdirektoriums of 16 March 1939

Lfde No.	Wagrg.	Betr.	Complete Description	Deposited with	
1	$	35 sh	American Tel. u. Telgr.	N.Y.Trust Co.,	N.Y.
2	"	400 sh	General Electric	dte	dte
3	"	66 4/6sh	Radio Corporation	dte	dte
4	"	200 sh	Union Carbon & Carbie	dte	dte
5	"	200 sh	Simon Boardman Pub.Corp.	dte	dte
6	"	530 sh	Great Northern Ry. Co.	dte	dte
7	"	77 205/600	Electric Bond u. Share	dte	dte

Above information is given according to best knowledge and belief.

Meerane Meerane 15. April 39

Meerane, Schwanefelder Str. 6

Kaufmann Deutscher (illegible signature)

Copy of photostat:

Kurt Schmieder, Meerane / Sachsen, Schwanenelder Str. 6 E194

Addition to report of v.15.4.1939

	Value at which acquired		Today's Value	
American Telephone & Telegraph	35 Shares	$ 7630	" 152	$ 5320
General Electric	400 "	22930	" 34	13600
Radio Corporation	66 4/6"		6	400
Union Carbon and Carbide	200 "	20750	" 70	1400
Simon Boardmann Publishing Corporation	200 "	9600	" 15	3000
Great Northern Railway Company	530 "	53925	" 19	10070
Electric Bond Shares	200 "	21800	" 8	619
	Consolidated into		77 205/600	
	$ 136 635			$ 47 009/
	a 4.18/RM 571 134		a 2/48-RM	116 582

DEFENDANT'S EXHIBIT D - LETTER OF WILLIAM GRAUPNER TO HALL, SR. DATED JUNE 11, 1947 E195

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
JUL 1 - 1975
Dft

1170 Fifth Avenue
New York 29, N.Y.

June 11, 1947

Mr. Louis H. Hall
165 Broadway
New York 6, N.Y.

Dear Mr. Hall:

When, prior to the gift by Jennie Bochmann to Mrs. Dwyer, Mr. Schmieder told me that Mrs. Bochmann desired to make the gift and surrender all interest in the property, I asked him for something in writing showing his approval of the proposed transaction. I mentioned to him that because I was taking the responsibility of arranging to have the matter done in legal form I wanted something in writing for use in the event that at any time in the future any member of the family might question the transaction. He thereupon wrote and gave to me the memorandum in his handwriting which I have delivered to you and of which a free translation in English would be as follows:

"I approve of the arrangements for my sister-in-law which we have discussed."

The arrangements which we had discussed, and to which he referred in this note, were those for making an absolute gift by Mrs. Bochmann after I had informed him that that was the only basis on which you could act in the transaction.

Very truly yours,

William Graupner

(Plfs. Ex. No 2 for Id.)
JSS

PLAINTIFF

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.

JUN 3 10 1975

9D

E197

3/27/43
Copy to Mr. Jarman for his information

Original report on Form 300 filed October 31, 1941 showed securities xxxxixxdxkyxgiftx derived by gift and then in custodian account with N T Trust Co; cash in such account; and set out that certain securities, to wit: 100 Amer.Viscose; 100 Chesapeake-Camp Corporation; 100 Int'lSalt and 100 Std.Oil of Ky had been purchased from income received as a result of the gift;

This report also disclosed that I held in my personal possession the demand notes of Demuth Glass Works in the total amount of $55,000 and that all securities held in my custodian account with N Y Trust Company were pledged as collateral to my loans there in the amount of $55,000.

Late in November 1942 Mr. Wukits of Foreign Funds began his investigation;

He interviewed me, at which interviews (2) Mr. Hall Jr was present; he checked my check books from the date of receipt of the gift; and in reply to his questions secured information as to my savings account; brokerage account; safe deposit vault; a history of the gift; and asked for an affidavit by Mr. Hall which was executed and forwarded to Mr. Wukits on Dec. 4, 1942; on Dec. 8, 1942, at his requested, I forwarded him a list of the securities then held by N Y Trust Company as collateral to my loans; He also obtained photostats of the deed of gift, the letters of J B to New York Trust Company and P T H containing instructions as to carrying out the gift, and of the gift tax return filed by xxxx H W Graupner as atty in fact for JB: He also examined the audit by Reeve made on dissolution of Stoneleigh Corporation; on the basis of which the gift tax return was made; and the Stoneleigh Corp file and minute book. and took certain memo from minute book.

Mr. Wukits also examined the records at The New York Trust Company and Green Ellis & Anderson. I do not know whether he checked at the East River Bank.

He also interviewed Mr. Graupner at greatlength I have been told.

I cannot say positively, but I believe he was furnished copies of certain material from the minute book of Stoneleigh; I am sure he took a list of the securities received by me on liquidation of Stoneleigh.

On June 30, 1943 The New York Trust Company and Green Ellis & Anderson, the Chemical Bank & Trust Company, to my knowledge, were notified by telephone by Foreign Funds that my accounts were blocked. On July 2, 1943 I received a written communication from Foreign Funds advising that all my assets, of every description, including insurance, salary, etc., were blocked, and enclosing a license in the amount of $200 for living expenses for thirty days (to be accounted for by report to Foreign Funds). This license was immediately modified to $300, also for thirty days, and various other licenses were granted on special application to cover payment to attorneys to represent me at a hearing to unblock, expenses and disbursements on account said hearing, payment of insurance premiums payable in August of 1943, and various other special disbursements.

E198

My application to ~~xx~~ unblock was filed July 6, 1943; hearing on said application was held in Washington on August 4, 1943 and application denied by letter of Foreign Funds dated December 7, 1943. This application listed certain securities in my safe deposit vault derived by gift; and set forth funds in my brokerage account, checking account, etc., derived from the said gift; and there was attached thereto as exhibits, copies of the original deed of gift, and letters of instruction re same addressed by J.B. to Putney Twombly & Hall and The New York Trust Company.

Copy of the minutes of this hearing at Mr. Landa's office but I am sure my testimony shows I opened a custodian ~~xxxxxx~~ account at New York Trust, after the dissolution of Stoneleigh, purely for my own convenience, that from time to time I transferred income from said account to my checking account; and that income from said securities was used only for my own use and reinvestment.

On August 16, 1943 my application No.4 for license to segreggate property received by gift and the use by me of the income from said property was filed. The statement attached to this application sets forth the history of the gift; the securities pledged with New York Trust Company for collateral to loans in the amount of $65,000; the securities in my safe deposit vault, including the notes of Demuth and E.K.Hall; cash in brokerage account; ~~xxxxxxxx~~ ~~xxxx~~ principal cash in checking account derived from the gift; amount in my savings account in East River Bank; Green,Ellis & Anderson account, insurance etc not derived by gift; also set forth securities in my own possession which were derived from the gift. The said license requested the following action:

1. "permit opening of a custodian account with the New York Trust Company "Mrs. Helen B.Dwyer Custodian Account" which account, pending determination of the unblocking application shall be a blocked account into which account shall be transferred the securities held in the name of the applicant, but deposited with and assigned to the New York Trust Company as collateral security for loans; Unassigning

2. permit removal from safe deposit vault of above described securities and deliver them into the said blocked "Helen B.Dwyer Custodian Account" with N.Y.Trust Co;

3. permit withdrawal from account with Green Ellis & Anderson of principal cash (~~xxxxxx~~ derived from gift) and deposit same in blocked account with N.Y.Trust Co.

4. withdraw from checking account all deposits of principal since July 1, 1943 and representing payments on account of principal of notes of E.K.Hall;

5. permit the said H.B.D to manage and direct the investment and reinvestment of the assets to be placed in said blocked "Helen B.Dwyer Custodian Account";

6. Subject to withdrawal of funds derived from the gift, unblock my account with Green,Ellis & Anderson and place same at my free disposal.

7. unblock my account with East River Savings Bank and place same at my free disposal.

8. unblock any and all other assets of mine, including life insurance policies and all ~~her~~ property of every description except those to be placed in the said "Helen B. Dwyer Custodian Account" with the New York Trust Company.

9. after withdrawal from her personal checking account with the N Y Trust Co of sums deposited therein since July 1, 1943, and representing payments on account of principal of notes above referred to and the deposit thereof in the said blocked H.B.D Custodian Account, unblock the personal checking account of application in The New York Trust Company and permit the future free use thereof by applicant for her own purposes;

10. authorize the transfer from time to time from the said blocked H B D Custodian Account to the unblocked personal checking account of H B D with The New York Trust Company of the net income of securities and property in the said blocked "H.B.D Custodian Account.

Items 1 to 5 inclusive were approved Dec. 7, 1943 and Licenses Nos. NY-565578-A-B-C and M granted.

On December 13, 1943 items 6 to 9 inclusive were approved. by letter of Foreign Funds dated December 13, 1943 containing the following

> "Accordingly the instructions contained in our letter of July 1, 1943 are hereby revoked."(this was the letter blocking all my assets.) "However the account maintained by you at the New York Trust Company entitled "H.B.D Custodian Account is to remain blocked."

License No.565578-D-M is as follows:"You are hereby authorized to manage and direct the investment and reinvestment of the assets in the blocked account entitled "Helen B.Dwyer Custodian Account" with the New York Trust Com NewYork

On January 13, 1944 an application was filed for income for living expenses, and was denied on Feb.8, 1944.

Application filed June 10, 1944 for use of income for living expenses in the amount of $500 per month was granted, and has been renewed ever since.

The present license, however, expires May 30, 1948 and is the one on which the APC took so long last December to approve. My application for renewal was filed Nov. 6, 1947 but was not granted until Dec.22,1947. Under this license, granted for six months, whereas prior ones had been for a year, the following transfers have been made:

Dec. 26th - $500 (which was in lieu of transfer which would have been made Dec. 1 if the license had been granted promptly)

Jan. 2-1948 - $500
Feb. 2 1948 - 500
March 3 1948 - 500

In July 1946 Mr. Koven, investigator for APC started his investigation; interviewed Mr. Hall and myself. I know he had a copy of the original report, Form 300, though he disclaimed having seen the Foreign Funds records, minutes of the hearing, etc. and attempted to make the same kind of investigation as made by Mr. Wukits of Foreign Funds in 1943. He was permitted to examine the minutes of the unblocking hearing here, also minute book of Stoneleigh Corporation, the original deed of gift and letters of instruction by J.B., the Stoneleigh Corporation file; was furnished with photostatic copies of

Deed of gift, and letter of J B to New York Trust and P T & H giving instructions for carrying out gift;

He also examined the gift tax return and was permitted to take the following papers to have photostats made for his records. These papers were returned to me on July 31st.

Minutes of special meeting of the Board of Directors of Stoneleigh Corp held January 20, 1936, together with the offer of January 1, 1, 1936 therein recited. (offer of J.B. to exchange her property for 500 shs. of Stoneleigh Corp.

Waiver of notice of Special Meeting of Directors of Stoneleigh held Jan. 21, 1936;

Minutes of meeting held Jan. 21, 1936 and letter of J.B. to N.Y.Trust dated Jan. 1,1936 instructing N Y Trust to deliver property to Stoneleight Corp.

Waiver of notice of Special meeting of directors of Stoneleigh Corp. held March 30, 1938;

Minutes of special meeting of directors held March 30, 1938 papers re meeting of March 30, 1938 cover the transfer of Stoneleigh stock to HBD;

carbon of letter LHH to JB dated Nov. 8, 1935 with reference to carrying out of arrangement discussed in June 1935;

carbon of letter of PTH to JB dated Dec. 26,1935 advising that Stoneleigh Corp is being organized and enclosing documents to be executed by her in connection therewith;

copy of cable of LHH to JB on Dec. 30,1936 advising papers mailed her on Dec. 26 via SS Hamburg;

carbon of letter of PTH to JB dated March 18, 1937 with reference to tax withholdings and enclosing power of attorney to be executed by her (power of atty to HWG)

original of letter of JB dated Jan 20 1937 with reference to $5,000 added to surplus in Nov. 1936 and $7,487 to be added under provisions of Article Eleventh of the Certificate of Incorporation and instructing payment of future dividends to PTH. This letter was addressed to Stoneleigh Corp;

original of letter of JB to PTH instructing payment of $7,497 held by them to surplus of Stoneleigh Corporation

carbon of letter of PTH to JB dated March 26,1936 acknowledging receipt of letter of March 13,1936 enclosing letter addressed to Stoneleigh, and blank stock power duly executed and witnessed.

original cable of JB dated Dec 30 1935 as follows: "referring to your letter of November eighth please accelerate arrangement."

On August 5, 1946 Mr. Koven was also furnished photostatic copies of the following:

Gift Tax Return, Form 709 filed for JB by HWGraupner under date of March 13, 1939;

Donee's information return, Form 710 filed by HBD on March 13, 1939;

Application to Unblock, Form TFW-1, application No.554696 filed by HBD under date of July 6, 1945;

Mr. Koven also examined, here, purchase slips covering various securities and referred to in Mr. Hall's memo to Mr. Landa.

Mr. Graupner was also interviewed at the offices of the APC in New York, and Mr. Koven examined records of the New York Trust Company in this matter.

Last week, about March 25th, we were advised by the N Y Trust Company that the APC has requested photostatic copies of the agreements with L H Hall Jr., covering this loan from me. This was evidently occasioned by the N Y Trust Company's reply to APC request for a list af all securities, etc., held in my custodian account. The trust company asked Mr.Hall Jr if he objected to supplying these photostats and I do not know whether he has replied to them, or if they have forwarded them to the APC.

DEFENDANT'S EXHIBIT C - ORDER DENYING CLAIM

E 202

[illegible] OF [illegible]

[illegible] JUSTICE

[illegible] OF ALIEN PROPERTY

[illegible], D. C.

In the Matter of:	
KURT SCHNEIDER	Claim No. 63692
Vesting Order No. 7290	

ORDER [illegible] TITLE CLAIM
(Ineligibility of Claimant - Objection)

Pursuant to Section 503.29(i) of the Rules of Procedure for Claims of this Office (8 CFR 503.29(i)), the Chief of the Claims Section on July 10, 1957 notified the claimant by registered airmail, return receipt requested, that after the expiration of 45 days he would apply to the Director for an order dismissing the claim on the ground that the claimant was not eligible for a return of property under Section 32 of the Trading with the Enemy Act, as amended (50 U.S.C. App. 32), and that, in his opinion, no favorable action with respect to the claim is possible under Section 32 of the Act. The claimant was further advised that within the 45-day period a statement specifying objections to the proposed dismissal might be filed, together with reasons in support thereof and that any evidence or other material in support of the claim which has been previously filed with this Office should be filed with the statement of objections. The claimant has timely filed a statement of objections.

Upon the application of the Chief of the Claims Unit and after considering the objections filed by the claimant and finding that no genuine issue is raised thereby and that the claimant is not eligible to receive a return of vested property under Section 32 of the Act;

IT IS ORDERED that this claim be and it is hereby dismissed.

Dated at [illegible], D. C.

JUN [illegible]

For [illegible]
[illegible] JOSEPH, JR.
Director, Office of Alien Property

DEFTS Ex EE- 1-5-73

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLUMBIA

HELEN B. DWYER 240 Central Park South New York 19, New York Plaintiff, v. J. HOWARD McGRATH, Attorney General of the United States Department of Justice Washington 25, D. C. Defendant.	Civil Action No. 1182-49

AFFIDAVIT

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

Helen B. Dwyer being duly sworn, depeses and says:

1. That she is the plaintiff in the above-entitled action.

2. That this is an action for the return of vested property brought under Section 9 of the Trading with the Enemy Act, 40 Stat. 411, as amended; 50 U.S.C.A. App. §1 21 §§9. Reference is made to the complaint herein for a more particular statement of the cause of action.

3. That she is a native born American citizen, having been born of native American parents in Connersville, Indiana, on October 21, 1895. Her father, her paternal grandfather, great grandfather and great grandmother; great, great grandfather and great, great grandmother; and great, great, great grandfather and great, great, great grandmother, were all native born citizens of the United States. She has no known relatives outside of the United States, and particularly is not related by blood or marriage to Messrs. Herman W. Greupner, Kurt Schmieder or Mrs. Jenny Bechmann.

4. Affiant lived in modest circumstances during her childhood and early youth. She has supported herself in whole or in part since graduating from high school. In 1918 she married. Later her husband became an officer in the United States Navy. Affiant continued to work in order to contribute to the support of relatives, as well as herself. Her husband was hospitalized in 1922 and ultimately died in 1938.

5. During the period of approximately 1922 to 1929 affiant resided in Washington, D. C., and during that time was employed in the Veterans' Bureau, Loans & Currency, and the Office of the Alien Property Custodian. In 1929, she accepted a position as secretary to Mr. Louis H. Hall in his law office in New York City, where she is still employed.

6. In early 1938, Mr. Louis H. Hall informed her that he had been requested to arrange a transfer of Mrs. Jenny Bechmann's interest in the Stoneleigh Corporation by an absolute and unconditional gift to some person to be selected, and that he was contemplating affiant as the donee. This was

her first knowledge of the proposed gift. Affiant informed Mr. Hall that she would be willing to accept the gift, provided that it was absolute and unconditional and that there were no conditions whatsoever attached to it, so that there would not be any likelihood of claims or disputes arising about the subject matter of the gift at any future time. Thereafter affiant did not discuss the gift before it was consummated with anyone other than Mr. Louis H. Hall.

7. The letters and stock transfer certificate signed by Mrs. Jenny Boehmann, which consummated the gift, were delivered to her on March 30, 1938. Having become the sole stockholder in the Stoneleigh Corporation as a result of this gift, she had the corporation dissolved on March 30, 1938 and received all of its assets as a liquidating dividend. She duly filed a donee's gift tax return for the property and paid the tax thereon. Mr. Bethman M. Graupner filed a donor's return on behalf of Mrs. Boehmann, under a tax power of attorney. In 1939 affiant forwarded a written form of ratification to Mrs. Boehmann for signature, but it was returned unsigned.

8. That she accompanied Mr. Louis H. Hall and his wife to Europe in 1939, returning in late May, at which time she is informed that he interviewed Mrs. Jenny Boehmann and requested her to sign a written ratification of the gift tax returns. Affiant has never met Mrs. Boehmann or Kurt Schneider and, with the exception of sending a form of ratification to Mrs. Boehmann, which was returned unsigned, and Mrs. Boehmann's letter making the gift, she has never corresponded or conversed with, or received any communication from, either of them.

9. That with the exception of this trip and vacation trips to Canada she has not been outside of the continental limits of the United States and has been continuously resident in and a citizen of this country from the date of her birth to the present time. Moreover, she has never been a resident or citizen of any country other than the United States of America.

10. That at all times subsequent to March 30, 1938, and prior to the Treasury Blocking Order on June 30, 1943, and Vesting Order No. 12528, dated December 15, 1948, and served on affiant on Christmas Eve, December 24, 1948, she held the property, the subject of this litigation, in her own sole right and for her own benefit, without obligation to or control by any other person, and in hositility to any claim or ownership by any other person whomsoever. Thereafter she held same subject only to restrictions imposed by the United States Government.

11. That at the time of the gift she was in very poor health and did not feel capable of adequately handling routine details involved in management and investment of these funds and at the same time continuing to perform her duties as secretary to Mr. Hall. Therefore, she placed the property in a custodian account with The New York Trust Company, but all of the securities were at all times registered in her own name. She retained her position with Putney, Twombly, Hall & Skidmore only because of a strong feeling of loyalty to Mr. Hall. She was very familiar with much of his professional routine and wished to express her appreciation of what he had done for her, and demonstrate her loyalty, by continuing to work for him as long as she was capable of doing so. A new secretary would for

some time be unfamiliar with his work and with his routine, so that Mr. Hall would in a sense be delayed and impeded if he had to make such a change.

12. After receipt of the gift, she made no immediate radical changes in her living standards. Thrifty habits, forced upon her by years of necessity, were naturally slow to change. In 1940, affiant considered building a home in the suburbs of New York City. She even went so far as to select a lot and plans for building. However, war seemed imminent and the anticipated difficulties of commuting caused her to change her plans. Instead, she moved from Flatbush and leased a larger and more expensive apartment on Central Park South in Manhattan.

13. During the period of affiant's ownership and management of the subject property, she expended therefrom for her personal expenses a sum in excess of $2,000.00 per year. However, in spite of these withdrawals, her management resulted in a substantial increase in the capital.

14. In October of 1941, the United States Treasury issued regulations requiring the registration of all property held by United States citizens for or on behalf of any foreign national. Affiant was clear in her own mind that this requirement was not applicable to her. She consulted Mr. Hall on the question, and he agreed with her interpretation. However, he advised her to procure advice from an outstanding attorney not associated with his firm. She consulted the late George Z. Medalie, Esq., who, after hearing all of the facts, advised her that in his opinion she was not required to report the transaction as a matter of law. But anticipating world conflict and

the hysteria which usually accompanies it, it was his opinion that in order to avoid any future unpleasant claims of the type now in question she should report the gift which had been made over three and one-half years previously.

15. That she reported the gift on Treasury Form 709-300, October 31, 1941. The report showed the donor-donee relationship between the affiant and Mrs. Jenny Boehmann. Almost two and one-half years thereafter, on June 30, 1943, all of her property, not merely the property which is the subject matter of this litigation, but also all of her other property, was blocked by the United States Treasury. Immediately an application to unblock was filed. Later in 1943, the property which was owned by the affiant prior to the gift was unblocked. In the years from August 1, 1943 to October 15, 1948, affiant filed nineteen separate applications to the Treasury Department and the Alien Property Custodian for licenses or for unblocking. Hearings were held by the Treasury Department on August 4, 1943 and May 31, 1945. On July 31, 1946 an investigator from the Office of Alien Property interviewed affiant and obtained photostatic copies of all of the relevant papers within her possession.

16. As a result of the applications and hearings several licenses were issued to affiant which allowed her monies for living expenses. On December 6, 1943, affiant also was issued a license to manage and direct the investment and re-investment of the assets in the blocked account. She continued to manage the account under this license for five years thereafter until the vesting order was served.

17. That she has never held the subject property for or on behalf of any person other than herself. She would not have accepted the transfer of the property except as a genuine, free and irrevocable gift. No reports concerning the property have ever been requested by or made to anyone, nor has any money therefrom ever been sent to anyone. There is not and there never was any understanding or agreement for holding the property or for repayment of the whole or any part thereof. The property belongs exclusively to the affiant in her sole and separate right without duty or obligation, express or implied, direct or indirect, to anyone.

18. That in the nearly eleven years which elapsed from the date of the gift until the time the United States seized affiant's property, no one except the United States Government ever claimed to have any interest in the property and no one ever demanded from affiant one cent of principal or income.

Helen B. Dwyer
Helen B. Dwyer

Subscribed and sworn to before me this 24th day of July, 1950.

Bertha E. Ronner
Notary Public

My Commission Expires:-

BERTHA E. RONNER
Notary Public, for the State of New York
No. 24-3339808
Qualified in Kings County
Kings Co. Clks No. 256, Register
Cert. filed in N. Y. County Clk. & reg.
Commission Expires March 30, 1951

DEFENDANT'S EXHIBIT H - SCHOCH AFFIDAVIT

E210

Miss Meyer copy

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLUMBIA

MRS. HELEN B. DWYER 240 Central Park, South New York 19, New York Plaintiff, v. J. HOWARD McGRATH, Attorney General of the United States Department of Justice Washington 25, D. C. Defendant.	Civil Action No. 1152-49

AFFIDAVIT

I, M. Magdalena Schoch, residing at 6817 Twenty-fifth Street North, Falls Church, Virginia, having been duly sworn, depose and say:

I. I was born and educated in Germany.

I am now a citizen of the United States of America, having been naturalized in 1943, and I am a member of the Bar of the District of Columbia and qualified to practice in the United States Court of Appeals for the District of Columbia.

After the usual elementary school and high school education I completed a full four years law course in the Universities of Wurzburg and Munich, and I obtained the degree of Doctor of Laws from the University of Wurzburg.

I then became research assistant to Professor A. Mendelssohn Bartholdy in the Law Faculty of the University of Hamburg, Germany, and later lecturer in the Law Faculty.

I organized, together with Professor Mendelssohn Bartholdy, an Institute of International and Comparative Law.

In 1932, having complied with the prescribed requirements and examination, I was appointed a member of the Law Faculty of Hamburg, with the title of Privatdozent (which is approximately the equivalent of something between an Assistant and an Associate Professor of Law). I was the only woman who was admitted to faculty status in a German law faculty.

I taught conflict of laws and comparative law, in which fields I had specialized, as well as general subjects such as jurisprudence and contracts.

I first came to this country as a visitor in 1934, as a research fellow under a one-year grant of the Rockefeller Foundation.

In 1937, I resigned from my position in the University of Hamburg because I was opposed to the Nazi regime.

In the fall of 1937, I left Germany and came to the United States on an immigration visa.

In 1938, I was given a position as research associate at Harvard Law School. In this capacity I conducted research in German and other continental laws, and taught conflict of laws and comparative law in seminars for graduate students, under the direction of Professor (now Dean) Erwin N. Griswold. Due to the fact that the Harvard Law School has an extensive library of foreign law, I was able to keep my knowledge of German law up to date.

In 1943, I was appointed consultant on foreign law by the Office of Economic Warfare in Washington, D.C., which was later reorganized into the Foreign Economic Administration. In

the Foreign Economic Administration I was Section Chief in the Property Control Division, in charge of questions concerning property in Germany and in neutral countries; and in 1945, I became Acting Division Chief of the Property Control Division.

My legal work in the Office of Economic Warfare and the Foreign Economic Administration was mainly concerned with questions of German law.

In 1946, I was appointed Foreign Laws Expert in the Alien Property Section of the Claims Division of the Department of Justice. I passed the bar examination in the District of Columbia in 1947 and was admitted to the Bar. I am now an Attorney in the Litigation Branch of the Office of Alien Property in the Department of Justice.

I have published books and articles on legal subjects in the German language and I have published articles on German law in American law reviews.

As my work in the Litigation Branch of the Office of Alien Property is largely concerned with questions of German law, I have had to keep my familiarity with German law up to date by regularly consulting the published decisions of German courts as well as books and periodical publications on German law. I have been able to do so with the aid of the extensive collection of German legal publications in the Library of Congress.

I have previously testified as an expert on German law in American courts, e.g., in California State courts, in the U.S. District Court for the District of Columbia, and in the District Courts of Boston, Mass., Miami, Fla., and Oklahoma City, Okla.

conversion

II. I have been asked what, under German law, were the duties of a German citizen and resident during the years 1931 to 1938 with regard to foreign funds, and in particular shares of stock in a foreign corporation, owned by him; and what were the penalties for violation of such duties.

1. Beginning in 1925, under the German tax laws any resident of Germany had to include property located outside Germany in his property tax return. Property Tax Act of August 10, 1925 (RGBl. I, p. 233); Property Tax Act of May 28, 1931 (RGBl. I, p. 237), particularly section 2; Property Tax Act of October 16, 1934 (RGBl. I, p. 1052), sections 1 and 7.

Failure to declare such property was punishable with a fine in a discretionary amount and imprisonment of not more than 2 years. Reich Tax Code of May 22, 1931 (RGBl. I, p. 161), section 396.

Property held in a fiduciary capacity had to be reported by the beneficial owner, who was liable for the tax. See Tax Adjustment Act of October 16, 1934 (RGBl. I, p. 925).

2. Beginning in July 1931, following a bank holiday declared by the Government, foreign-exchange controls and controls of foreign funds began to be imposed upon all residents of Germany. The Government of the Reich was authorized to request the reporting of foreign holdings including foreign securities owned by German residents. Decree of the Reich President Concerning Foreign-Exchange Control of August 1, 1931 (RGBl. I, p. 421), section 15. Under this authorization the Government required German residents to report and tender for conversion into Reichsmarks all foreign exchange held by them and all foreign securities which they had acquired after July 12, 1931, or would acquire in the future. Third Regulations under the above Decree, of August 29, 1931 (RGBl. I, pp. 461,488), Article I, section 1; Sixth Regulations of October 2, 1931 (RGBl. I, p. 533), Article I, section 1, and section 3.

3. Upon tender by a German resident of foreign securities to the Reichsbank in accordance with these regulations, theReichsbank had to determine whether or not to acquire the foreign securities in exchange for Reichsmarks. It was required to decide this question pursuant to provisions of an Executive Order of July 18, 1931 (RGBl. I, p. 373), section 1, which provided that if the owner of the foreign exchange could establish that he needed it for an economic purpose useful to the German economy, he might be permitted to retain it (section 2).

4. These provisions, which were designed to stop the flight of capital from Germany and to make foreign exchange available to the German Government for vital economic needs, were incorporated in the ensuing elaborate foreign-exchange legislation, for instance, the Foreign Exchange Decree of May 23, 1932 (RGBl. I, p. 231), sections 33 and 34, the Foreign-Exchange Control Act of February 4, 1935 (RGBl. I, p. 106), section 35; and Regulations under the latter Act, section 1.

Persons who did not comply with the law as outlined above were punishable with imprisonment and, in case of serious violations, imprisonment with hard labor of not more than ten years, as well as fines up to the ten-fold value of the foreign exchange involved. Foreign Exchange Decree of May 23, 1932, section 362; Foreign-Exchange Control Act of February 4, 1935, section 42.

5. The duty to report foreign holdings applied to persons who held these assets in their own name as well as to persons for whom the assets were held by a trustee, a fiduciary, or some other record holder. Foreign Exchange Decree of May 23, 1932, section 33, paragraph 2; Foreign-Exchange Control Act of February 4, 1935, section 35; Foreign-Exchange Control Act of December 12, 1938 (RGBl. I, p. 1733), section 52.

5. At the same time that the German Government imposed foreign-exchange controls it tightened the enforcement of tax legislation.

In a Decree of the Reich President "To Combat Flight of Capital and Tax Evasion", of July 18, 1931 (RGBl. I, p. 373), the deadline for the property tax return for the year 1931 was extended to September 15, 1931 (section 7, 2nd Decree of the Reich President Concerning Tax Amnesty, of August 23, 1931 (RGBl. I, p. 499), section 14). Failure to file the property tax return within this period was punishable not only in accordance with the existing tax legislation referred to above but it was also provided that in cases of all willful tax evasion punishment of not more than 10 years imprisonment with hard labor could be imposed. Decree of July 18, 1931, section 7, paragraph 3; Decree of the Reich President of August 23, 1931, section 14, paragraph 2. Soon thereafter an amnesty was granted to those persons who filed a property tax return on or before September 16, 1931; the amnesty covered all taxable property which had not been reported at any time since the beginning of the year 1928. Decree of August 23, 1931, sections 15 and following.

7. Thus, from 1931 on, any person who had not reported his foreign holdings to the tax authorities was liable to severe punishment for tax evasion; he incurred equally severe punishment for violation of foreign-exchange legislation if he failed to report foreign securities acquired after July 12, 1931. (See paragraph 4, supra).

8. In case a person had not reported his foreign holdings to the proper German authorities he was given an opportunity in 1933 to clear himself and avoid punishment. An Act Concerning Economic Treason (Gesetz gegen Verrat der Deutschen Volkswirtschaft), of June 12, 1933 (RGBl. I, p. 360), established a general duty for German residents to report all property above the value of 1,000 Reichsmarks which was located in a foreign country on

June 1, 1933, which had not previously been reported to the tax authorities (section 1, paragraph 1). Shares of stock in foreign corporations were expressly included in the definition of foreign property to be reported (section 2, sub-section 3). The penalty for failure to report was imprisonment with hard labor for a minimum of 3 years and a maximum of life (section 8), together with loss of civil rights. The report had to be made by August 31, 1933. An amnesty was granted to those who had failed to report in the past but now filed their report within that period (section 7). This period of grace was extended until December 31, 1934, by the so-called Tax Adjustment Act (Steueranpassungsgesetz) of August 16, 1934 (RGBl. I, p. 925), section 22.

9. The Act Concerning Economic Sabotage of December 1, 1936 (RGBl. I, p. 999), of which plaintiff has furnished a copy, represents no more than a tightening of the rule underlying the Economic Treason Act. The Sabotage Act provided the death penalty and confiscation of property for German citizens who knowingly, willfully, and from selfish or other base motives had concealed property they were holding in a foreign country (section 1). Jurisdiction for offenses under this Act was conferred upon the People's Court (section 2).

At the same time, however, a person who had incurred the penalties of the Economic Sabotage Act was offered an opportunity to clear himself and escape punishment. An Amnesty Act of December 15, 1936 (RGBl. I, p. 1015), provided that any person who in violation of the foreign-exchange control laws had concealed property in a foreign country would not be punished under the Economic Sabotage Act or any other previous legislation if he tendered to the Reichsbank the pertinent foreign holdings on or before January 31, 1937.

10. Consequently, beginning on December 1, 1936, any German who owned, either directly or indirectly, shares of stock in an American corporation or other foreign funds which he had not reported to the German tax authorities and the foreign-exchange

authorities, was subject to the death penalty and the confiscation of his entire property as punishment for failure to report such holdings. It made no difference whether he kept the property or whether at some date subsequent to the Economic Sabotage Act he transferred it to someone else. In either case he incurred the same penalties. On the other hand, he could secure immunity from punishment if he reported the holdings he had concealed until then, and tendered them to the Reichsbank on or before January 31, 1937. Such tender did not result in the complete loss of the property. If the Reichsbank decided to take over the shares of stock and the other foreign funds, it had to pay to the owner the equivalent, at the official rate of exchange, in Reichsmarks.

I affirm that this is a correct and fair statement of the German law according to the best of my knowledge and experience.

DATED: September 29, 1950.

_____

M. Magdalena Schoch

Sworn to and subscribed before me this _____ day of

_____, 1950.

_____

Notary Public

(SEAL)

2/9/70

DEFENDANT'S EXHIBIT K-1 - STATEMENT FROM SCHMIEDER (PENCIL) E218

Ich bin mit der besprochenen Regelung für meine Schwägerin einverstanden.

Kurt Schmieder.

I am in agreement with the discussed arrangement for my sister-in-law.

Kurt Schmieder.

E219

I agree to the discussed settlement for my sister-in-law.

REF.: 3178/r-28

Translated by
FIFTH AVENUE
TRANSLATIONS

Fifth Avenue Translations Ltd.
501 Fifth Avenue (at 42nd Street)
New York, New York 10017
(212) 687-5773

DEFENDANT'S EXHIBIT K-2 - SCHMIEDER STATEMENT DATED JUNE 1, 1948 E220

Eidesstattliche Erklaerung:

Unterzeichneter bestaetigt hiermit, dass es von ihm verstanden ist, dass die Schenkung von Frau Bochmann's Guthaben bei der New York Trust Co. und der dort hinterlegten Wertpapiere an Mrs. Dwyer eine freiwillige, absolute und unwiderrufliche Schenkung ist, ohne jede Gegenverpflichtung von Mrs. Dwyer.

Meerane (Sachsen), den 1. Juni 1948

Kurt Schmieder

als Zeuge:
Dr. Alfred Lindner
Archivar und Genealoge
Crimmitschau

Dr. Alfred Lindner

Solemn Attestation:

The undersigned confirms herewith that it is understood by him that the gift of Mrs. Bochmann's bank balance with the New York Trust Company and of securities deposited there to Mrs. Dwyer is a voluntary, absolute and irrevocable gift, without any obligation of Mrs. Dwyer.

(Signed) Kurt Schmieder

Meerane (Sachsen)

June 1, 1948

As witness: Dr. Alfred Lindner

DEFENDANT'S EXHIBIT K-3 - SCHMIEDER DEPOSITION DATED FEBRUARY 4, 1958 E221

Enclosure 5

/Translation/ /P1

Interrogation

of

Kurt Schmieder

residing at 15 Hangstrasse, Loerrach, by Mr. H.R. Ohrnberger of the American Consulate General in Munich, on February 4, 1958.

(= Question

A = Answer

Q.: Please state the name, nature and head office of your firm which you managed and owned formerly?

A.: W. & H. Schmieder, Meerane in Saxony, Mariencstrasse. It was a weaving-mill for lady's dress materials. The materials were manufactured in Muelsen, St. Jakob, in Saxony.

Q.: Did you have branches also in other places?

A.: No.

Q.: Did you have agents in Germany?

A.: No, none on an employee basis. My agents were all independent.

Q.: Were there Jews also among your agents?

A.: I had two Jewish agents in Berlin. One was Alfred Litten , he worked for me during the years from 1920 up to the end of 1938. He perished, together with his wife and daughter, in Auschwitz. The other, Lindenberg, worked for me up to the middle of 1938. I don't know what became of him. A certain Mr. Rosenhain represented my firm in Dresden. He fled from Germany in 1937. I was unable to learn anything about his fate.

Q.: After 1938 did you still have Jewish agents in Germany?

A.: No, that was not possible any more.

Q.: Can you give us the names of some firms with which you had business connections? Or of individuals?

A.: I will try to send you a list with the names and addresses of such firms and persons.

Q.: With what countries did you do business?

A.: Chiefly with the south-eastern states during the war years. Before the war also with the Scandinavian countries.

Q.: Could your former foreign customers give information about you and your firm for the years before 1943?

A.: I hardly believe so, for in the south-eastern states like Bulgaria, Rumania, and Jugoslavia there is a bolshevist regime and firms as such no longer exist.

[page 2 of the original:]

Q.: What happened to your firm?

A.: On July 1, 1942, I had to close down the factory by order of the Reich Office for Wool.

Q.: Why was this order given for you to close down?

A.: It was given with the pretext of the prevailing shortages of material and for the purpose of transferring workers to industries which were important for the war. The real reason, however, was that I was not a member of the NSDAP and not much in favor of the Party either, for in Party circles it was known that I was a pronounced opponent of National Socialism.

Q.: Were, to your knowledge, other enterprises in the same branch also closed because of shortage of material?

A.: Yes, but never enterprises belonging to Party members who were true to the Party line.

Q.: Up to the time when your firm was closed, that is, July 1942, were you in possession of your civil rights?

A.: Yes, I was.

Q.: What did you do after your firm had been closed down?

A.: Up to the end of 1943 I had to have all my yarn woven in other mills and the goods had to be distributed among my customers. In those days we had the point system and clothing cards.

Q.: Were you in possession of your civil rights after July 1, 1942, also?

A.: Yes, only I was watched to a certain extent. But that is difficult to prove.

Q.: Did you ever have difficulties on account of the foreign currency laws in force?

A.: No, never.

Q.: Were you employed in the army during the years 1941 - 1945 either in a business connection or as a soldier?

A.: Not in a business connection, for what we manufactured depended on the fashion and was for civilian consumption. At the end of 1944, when I was 57 already, owing to the fact that the Party judged me unfavorably, I was sworn in to begin with for the local home guard, but in mid-February 1945 was sent to the active home guard, a part of which was assigned for servic

just like the armed forces. I was detailed to the troop training camp at Koenigsbruck, near Dresden. It was specially fortunate that my battalion was not assigned for active service. This should have happened on May 7, 1945, in order to hold up the Russians. But the battalion was already so demoralized that further service was refused.

Q.: What did you do after the war and up to 1950, when you came to western Germany?

A.: During the time from May 1945 up to September 1948 I tried to get my factory going again, which was only partially successful owing to lack of material. In September 1948 I was arrested by the German bolshevists and put into prison for two years. I was described as a criminal against the economy and was condemned. My factory was expropriated and I was refuse further access thereto.

/page 3 of the original: 7

Q.: When and in what way did you come to western Germany?

A.: As I no longer had any possibility of existence in my native town, I fled on January 3, 1951, through Berlin, where my housekeeper put me up, to the Federal Republic. I went to my son's in Muenchberg, Upper Franconia and helped him to build up a factory again. I have lived in Loerrach since August 1952.

Q.: So Loerrach is your sole place of residence and your permanent one?

A.: Yes.

Q.: Did you ever apply for the status of a persecutee, and did you receive same?

A.: No, for I myself was not persecuted, I was always warned in time. If I had really been persecuted I should probably no longer be alive.

Q.: Did you ever make an application for restitution or indemnification in respect of the losses you suffered under the Nazis?

A.: No, the relevant law does not apply in my case, for I do not get anything at present either for the complete expropriation of my possessions in Saxony by the bolshevists, since I did not live behind the Oder-Neisse line.

Q.: Did you belong formerly or do you still belong to a professional association or union?

A.: Yes, to the union of the Saxonian-Thurincian weaving mills, Greiz, which no longer exists now. This union was a sub-group of the over-all union of the cloth and clothing material industry, Berlin. At present I do not belong to any union. I hardly believe that the over-all union in Berlin, which is supposed to exist today in another form in Cologne, has any information and files about me.

I affirm that I have made the above statements to the best of my knowledge and conscience and of my own free will.

Loerrach, February 4, 1958.

(s) Kurt Schmieder

E226

Interrogation

von

Kurt Schmieder

wohnhaft in Loerrach, Hauptstrasse 1b,

durch H.R.Ohrnberger vom Amerikanischen Generalkonsulat in Muenchen, am 4.Februar 1958.

F = Frage
A = Antwort

F: Bitte geben Sie den Namen, die Art und den Geschaeftssitz Ihrer Firma an welche Sie fruehrer leiteten und besassen?

A: W.& H.Schmieder, Meerane in Sachsen, Marienstrasse. Es war eine Damenkleiderstoffweberei. Die Fabrikation der Stoffe war in Muelsen, St.Jakob, in Sachsen.

F: Hatten Sie auch Filialen in anderen Plaetzen?

A: Nein.

F: Hatten Sie Vertreter Stellen in Deutschland?

A: Nein, keine im Angestellten Verhaeltnis. Meine Vertreter waren alle selbststaendig.

F: Waren unter Ihren Vertretern auch Juden?

A: In Berlin hatte ich zwei juedische Vertreter. Der eine Hiess Alfred Litten, der fuer mich waehrend der Jahre 1920 bis Ende 1938 taetig war. Er kam zusammen mit seiner Frau und Tochter in Auschwitz ums Leben. Der andere Hiess Lindenberg der fuer mich bis Mitte 1938 taetig war. Ich weiss nicht was aus ihm geworden ist. In Dresden vertrat meine Firma ein Herr Rosenhain. Er fluechtete aus Deutschland im Jahre 1937. Ich konnte nichts mehr ueber sein Schicksal erfahren.

F: Nach 1938 hatten Sie auch dann noch juedische Vertreter in Deutschland?

A: Nein das war ja gar nicht mehr moeglich.

F: Koennen Sie uns einige Firmen nennen mit welchen Sie in geschaeftl. Verbindung standen? Oder Einzelpersonen?

A: Ich werde versuchen Ihnen eine Liste mit Namen und Addressen solcher Firmen und Personen zukommen zu lassen.

F: Mit welchen Laendern fuehrten Sie geschaeftlichen Verkehr?

A: Hauptsaechlich mit den Sued-Ost Staaten waehrend der Kriegsjahre. Vor dem Krieg auch mit den Skandinavischen Laendern.

F: Koennten Ihre fruheren auslaendischen Kunden Auskunft ueber Sie und Ihre Firma fuer die Jahre vor 1943 geben?

A: Das glaube ich kaum denn in den Suedost-Staaten wie Bulgarien, Rumaenien, und ~~Ungarn~~ Jugoslavien herrscht ja jetzt der Bolschewismus und Firmen als solche bestehen heute nicht mehr.

K. Sch.

Was geschah mit Ihrer Firma?

A: Ab 1.Juli 1942 musste ich die Fabrik schliessen auf Befehl der Reichsstelle der Wolle.

F: Warum wurde diese Stilleg[illegible] befohlen?

A: Es geschah [illegible] unter der Vorwand der damals herrschenden Material-Kanppheiten und um die Arbeitskräfte in kriegswichtige Industrien zu verpflanzen. Der wirkliche Grund lag jedoch darin dass ich kein Mitglied der NSDAP war und auch nicht die Partei eingenommen war denn man wusste dass ich ein ausgesprochener Gegner des Nationalsozialismus war. K. Sch.

F: Wurden Ihres Wissens auch andere Betriebe in der Branche geschlossen aus Gruenden der Materialknappheit?

A: Ja das schon aber niemals Betriebe von linientreuen Parteimitgliedern.

F: Bis zum Schluss Ihrer Firma, das heisst bis Juli 1942, besassen Sie und waren Sie im Besitz Ihrer buergerlichen Rechte?

A: Ja, das war ich.

F: Was taten Sie nach dem Schluss Ihrer Firma?

A: Bis Ende 1943 musste ich alle vorhandenen Garne in fremden Betrieben aufarbeiten lassen und die Waren musste ich an meine Kundschaft verteilen. Das ging ja damals nach Punkt-oder Kleiderkarten.

F: Waren Sie im Besitz Ihrer buergerlichen Rechte auch nach dem 1.Juli 1942?

A: Ja, nur wurde ich im gewissen Sinne bespitzelt. Aber dies ist schwer nachzuweisen.

F: Hatten Sie je Schwierigkeiten wegen der damaligen Devisengesetze?

A: Nein, nie.

F: Waren Sie waehrend der Jahre 1941-1945 geschaeftlich oder als Soldat beim Heer taetig?

A: Geschaeftlich nicht, denn unsere Herstellung war eine modische und dem Zivilverbrauch dienlich. Ende 1944, als ich schon 57 Jahre alt war, wurde ich in Folge meiner ungueinstigen persoenlichen Beurteilung seitens der Partei zuerst fuer den oertlichen Volkssturm vereidigt, aber schon Mitte Februar 1945 kam ich zum aktiven Volkssturm welcher zum Teil so wie die Wehrmacht eingesetzt wurde. Ich wurde auf dem Truppenuebungsplatz Koenigsbrueck bei Dresden eingesetzt. Es ist ein besonderes Gluck dass gerade mein Battaillon nicht aktiv eingesetzt worden ist. Dies sollte erst am 7.Mai 1945 geschehen um die Russen aufzuhalten. Das Battaillon war aber schon so demoralisiert dass weiterer Dienst verweigert wurde.

F: Was taten Sie nach dem Krieg und bis 1950 als Sie nach Westdeutschland kamen?

A: Waehrend der Zeit vom Mai 1945 bis September 1946 versuchte ich meinen Betrieb wieder in Gang zu setzen, was infolge Materialmangel nur zum Teil gelang. Im September/[illegible] wurde ich von den deutschen Bolschewisten verhaftet und zwei Jahre ins Gefaengnis gebracht. Ich wurde als Wirtschaftsverbrecher bezeichnet und verurteilt. Mein Betrieb wurde enteignet, und ich durfte denselben nicht mehr betreten.

K. Sch.

F: Wann kamen Sie und in welcher Weise kamen Sie nach Westdeutschland?

A: Da eine Existenzmoeglichkeit in meiner Heimat nicht mehr bestand, uebersiedelte ich am 3.Januar 1951 ueber Berlin, wo ich bei meiner Schwaegerin Aufnahme fand, in die Bundesrepublik. Ich kam zu meinem Sohn nach Muenchberg, Oberfranken, dem ich half wieder einen Existenzbetrieb aufzubauen. In Loerrach lebe ich seit August 1952.

F: Ihr einziger und staendiger Wohnsitz ist daher Loerrach?

A: Ja.

F: Haben Sie je fuer den Status eines Verfolgten beantragt und denselben erhalten?

A: Nein, denn eine Verfolgung meiner Person ist ja nicht geschehen, ich bin eben immer vorgewarnt worden. Waere ich wirklich verfolgt worden, dann waere ich wahrscheinlich nicht mehr am Leben.

F: Haben Sie je einen Antrag fuer Wiedergutmachung oder Entschaedigung fuer die Verluste welche Sie unter den Nazis erlitten, gestellt?

A: Nein so weit ist das zutreffende Gesetz nicht denn ich bekomme fuer die voellig maessige Enteignung meines Besitzes in Sachsen durch die Bolschewisten, ja zur Zeit auch nichts, da ich ja nicht hinter der Oder-Neisse/Linie habe.

F: Gehoerten Sie frueher oder auch noch heute einer beruflichen Vereinigung oder einem Verband an?

A: Ja, zum Verband der Saechsisch-Thueringischen Lebereien, Greiz, der jetzt wieder existiert. Dieser Verband war eine Untergruppe des Gesamtverbandes der Leder- und Lederstoffindustrie, Berlin. Zur Zeit gehoere ich keinem Verband an. Ich glaube kaum dass der Gesamtverband in Berlin, der jetzt in einer anderen Form in Koeln existieren soll, Auskunft und Akten ueber mich besitzt.

Ich versichere obige Angaben nach bestem Wissen und Gewissen gemacht zu haben und dieselben aus freiem Willen abgegeben zu haben.

Loerrach, den .Februar 1958.

DEFENDANT'S EXHIBIT K-4 - LETTER OF KURT SCHMIEDER TO REICHSBANK DATED APRIL 15, 1939 E229

Heurane April 15, 1939.

With regard to the enclosed offer of foreign securities I enclose a statement showing first the purchase price and then the present quotations and reflecting the terrible loss I should suffer if I had to sell at the present market prices.

In 1928/29 the securities represented a purchase value of RM 271,134.00, whereas today, in view of the devaluated rate of the dollar, I should scarcely receive RM 117,000.00 for them, which means I should suffer a loss of RM 154,000. It would mean an incomparable hardship if I were compelled to sell the securities now and could not wait for an improvement in prices. From the political angle and from the standpoint of the national economy also it would not be advisable to dispose of these securities to healthy American enterprises at exceptionally low rates now instead of keeping them as a reserve in order to get double and triple the amount for them in foreign exchange later. I therefore request that a sale of the securities be postponed for the time being until the quotations have improved considerably.

The owners of old American securities must feel it a special hardship to have to give up these securities perhaps at the official rate of 2.48 when every American who comes to Germany receives more than 4 registered Marks for the dollar, apart from other advantages, If the Reich is now compelled to encroach on private property, although, according to the Fuehrer's will, the latter is supposed to be safeguarded, then the Germancitizen can expect, I presume, not to be treated worse than any foreigner.

Heil Hitler!

(s) [initialed]

DEFENDANT'S EXHIBIT U.S. DIST. COURT S.D. OF N.Y. JUL 1 - 1975

K4

Subject to orig. ruling

[illegible]

[illegible] sogar [illegible] Zeichnung [illegible] Zeichnung [illegible] Zeichnung

E 231

Subject: Kurt Schneider Claim No. 63692

Hans R. Ohmberger, Legal Officer,

and an investigator, American Consulate General, Munich, Germany, certifies that he is conducting an investigation in the above-entitled claim and that the foregoing copy conforms to the original which is ~~in claimant's~~

in claimant's possession.

H.R. Ohmberger

Dated: Munich, Germany
July 23, 1953

DEFENDANT'S EXHIBIT K-5 - LETTER OF SHILLER TO KURT SCHMIEDER DATED JULY 5, 1939 E232

[illegible]

Reichsbank

Meerane

Meerane, July 5, 1939.

Mr. Kurt Schmieder,
6 Schwanefelder Strasse,
Meerane (Saxony)

By reason of your offer of April 15, 1939, pursuant to the Second Executive Ordinance to the Foreign Exchange Law, we request from you the following securities for sale through the bank keeping your custodianship deposit:

35 shares of the American Telephone & Telegraph .

400 " " " General Electric

66 4/6 " " " Radio Corporation

200 " " " Union Carbon & Carbide

200 " " " Simon Boardman Publishing Corporation

530 " of the Great Northern Railway Company

77 205/600 Electric Bond Shares

The proceeds of the foreign exchange are to be made available to the Deutsche Golddiskontbank by the bank keeping the custodianship deposit.

You are requested to send the Deutsche Golddiskontbank the "sold" note of your bank for inspection, so that a special 20% bonus can be paid out.

Reichsbank Sub-Office

(s) Schiller

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
JULY 17 1978

DEFENDANT

E233 Meerane, den 5. Juli 1944

Auf Grund Ihres Angebots vom [illegible] gemäß der Zweiten Devisenbewirtschaftungsverordnung zur Devisengesetz fordern wir folgende Papiere zum Verkauf über Ihre Depotbank ab:

55 Aktien Sächsische Webstuhl-Fabrik	100 Aktien Sächs. Boden-Credit-Anstalt Lit. A
200 " Sächsische Werke	350 " Sächsische Bank Lit. A
66⅔ " Radio Emerson	77 10/100 Aktien Sächs. Bank-Verein
100 " Sächs. Textil-Fabrik	

Die Devisenerlöse sind von der Depotführenden Bank bei der

.....

~~zu Gunsten~~ der Deutschen Golddiskontbank zur Verfügung zu stellen. Wir bitten Sie, die Abrechnung Ihrer Bank der Deutschen Golddiskontbank zwecks Auszahlung eines Sonderzuschlages von 20% zur Einsichtnahme einzusenden.

Reichsbankhauptstelle

Herr

Kurt Schneider

Meerane (Sachs.)

Schwanenstraße 6

E 234

Subject: Kurt Schneider Claim No. 62092

Hans D. Chamberger, Legal Officer,
and an investigator, American Consulate General, Munich, Germany, certifies that he is conducting an investigation in the above-entitled claim and that the foregoing copy conforms to the original which is ~~certified~~ in claimant's possession.

H. R. Chamberger

Dated: Munich, Germany
July 23, 1958

DEFENDANT'S EXHIBIT K-6 - LETTER OF KURT SCHMIEDER TO REICHSBANK DATED AUGUST 3, 1939

E235

August 3, 1939.

Reichsbank Sub-Office
Cologne

On returning from a short trip I have found your demand, dated July 5th, concerning all the American securities in my possession. I very much regret that not the slightest consideration has been given to my statements of April 15th and - the justified remonstrances of the owner being overlooked - that the sale of the securities is demanded without the slightest scruple. As is revealed quite clearly by my statement of April 15th half of the actual value will be lost in this way. Such a precipitant sale of securities in order to procure foreign exchange at any price is a hardship which my government has inflicted on the German citizen up to now. Furthermore, it is a direct loss of foreign exchange to the Reich itself, if securities are sold in the United States - where the stock exchange situation is actually unsound - at prices which, in 1 or 2years perhaps, can increase by twice or three times the amount. For the present the dividends yielded by the securities accrue automatically to the Reich.

I refer once again to paragraph 3 of my letter of April 15th and request you to ask the office to which you are responsible to see that the surrender of the securities is postponed until the market quotations for them are better.

Heil Hitler!

[initialed]

DEFENDANT

EXHIBIT
U. S. DIST. COURT
S. D. OF N. Y.
JUL 1 - 1975

E 236

An die

Reichsbankhauptstelle,

W e i m a r.

Von einer kurzen Reise zurück, finde ich Ihre Aufforderung vom 5.Juli über sämtliche in meinem Besitz befindlichen ausländischen Wertpapiere vor. Ich bedaure sehr, dass man meinen Ausführungen vom 15.April nicht im geringsten Rechnung trägt und sich über die berechtigten Vorstellungen des Eigentümers hinwegsetzend - ohne weiteres den Verkauf der Papiere fordert. Wie aus meiner Aufstellung vom 15.4. deutlich hervorgeht, werden dadurch 80% des wirklichen Wertes verloren. Eine derart überstürzte Handlungsweise, Wertpapiere zu veräussern, um -koste es, was es wolle- Devisen zu beschaffen, ist eine Harte, die Bürger des deutschen Staatsbürger noch von keiner Regierung zugemutet worden sein. Ausserdem ist es auch ein direkter Devisenverlust für das Reich selbst, wenn bei einer an und für sich ungeheuren Börsenlage in den Vereinigten Staaten Papiere zu Kursen verkauft werden, die vielleicht in 1 bis 2 Jahren um das zwei-und dreifache steigen können. Verlustlos fließen ja, so oft die Papiere Dividende abwerfen, diese automatisch dem Reich zu.

Ich nehme nochmals Bezug auf Absatz 3 meines Briefes vom 15.4. und bitte Sie, bei Ihrer vorgesetzten Stelle vorstellig zu werden, dass die Abgabe der Papiere solange zurückgestellt wird, bis bessere Kurse dafür in Frage kommen.

Heil Hitler!

Subject: [illegible] Claim No. 6[illegible]

[illegible], Legal Officer,

and an investigator, American Consulate General, Munich, Germany, certifies that he is conducting an investigation in the above-entitled claim and that the foregoing copy conforms to the original which is [illegible]

in [illegible] possession.

W.R. Obermeyer

Dated: Munich, Germany
July 23, 1958

DEFENDANT'S EXHIBIT K-7 - LETTER OF REICHSBANK TO SCHMIEDER DATED OCTOBER 16, 1939

E238

Enclosure 12

[Translation]

Plummer/li/2511

Reichsbank Sub-Office Meerane (Saxony)

[in handwriting:] Reichsbank, Office for Foreign Claims

Mr.Kurt Schmieder
6 Schwanefelderstrasse,
Meerane

October 16, 1939.

Your ref.: August 3rd

Our ref.: BV

Re. Surrender of foreign securities.

We have been instructed to inform you that in view of the urgency of the need for foreign exchange you can no longer be allowed to keep your foreign securities. We therefore request you to arrange for the immediate sale of the securities claimed by us under date of July 5th. The proceeds, however, may no longer be made available to the Deutsche Golddiskontbank, but for certain reasons must be placed at the disposal of the

Reichsbank directorate Berlin

at the

Federal Reserve Bank of New York in New York.

Reichsbank Sub-Office

[illegible signature]

E239

REICHSBANKNEBENSTELLE MEERANE (SACHSEN)

Fernruf: Nummer 2016 Telegrammanschrift: Reichsbank Meerane Sachsen Reichsbankgirokonto: Postscheckkonto: Leipzig 45184
Geschäftszeit: von 8—13 und 15—16 Uhr, sonnabends von 8—13 Uhr

Herrn
Kurt Schrieder,
Meerane,
Schwanefelderstrasse 6.

Ihr Zeichen 3.8. Ihre Nachricht vom XA Unser Zeichen BV Tag 16.10.39.

Betr. Ablieferung ausl.Effekten.

Auftraggemäss teilen wir Ihnen ergebenst mit, dass mit Rücksicht auf die Dringlichkeit des Devisenbedarfs eine weitere Belassung nicht mehr zugestanden werden kann. Wir bitten Sie deshalb, nunmehr umgehend den Verkauf der von uns unterm 5.Juli abgeforderten Wertpapiere vornehmen zu lassen. Der Erlös darf aber nicht mehr der Deutschen Golddiskontbank, sondern muss vielmehr aus bestimmten Gründen dem Reichsbankdirektorium Berlin bei der Federal Reserve Bank of New York in New York zur Verfügung gestellt werden.

Reichsbanknebenstelle.

DEFENDANT'S EXHIBIT K-10 - LETTER OF REICHSBANK TO SCHMIEDER DATED OCTOBER 16, 1939

E 240
Enclosure 12

[Translation]

[Plummer/li/RM]

Reichsbank Sub-Office Meerane (Saxony)

[in handwriting:] Reichsbank, Office for Foreign Claims

Mr.Kurt Schmieder
6 Schwanefelderstrasse,
Meerane

October 16, 1939.

Your ref.: August 3rd
Our ref.: BV

Re: Surrender of foreign securities.

We have been instructed to inform you that in view of the urgency of the need for foreign exchange you can no longer be allowed to keep your foreign securities. We therefore request you to arrange for the immediate sale of the securities claimed by us under date of July 5th. The proceeds, however, may no longer be made available to the Deutsche Golddiskontbank, but for certain reasons must be placed at the disposal of the

Reichsbank directorate Berlin

at the

Federal Reserve Bank of New York in New York.

Reichsbank Sub-Office

[illegible signature]

E241

REICHSBANKNEBENSTELLE MEERANE (SACHSEN)

Fernruf: Nummer 2016 | Telegrammanschrift: Volksbank Meerane Sachsen | Reichsbankgirokonto: Postscheckkonto: Leipzig 47181 | Geschäftszeit: von 8—13 und 15—16 Uhr, sonnabends von 8—13 Uhr

Herrn
Kurt Schrieder,
Meerane,
Schwanefelderstrasse 6.

Ihr Zeichen: 3.8. | Ihre Nachricht vom: XX | Unser Zeichen: BV | Tag: 16.10.39.

Betr. Ablieferung ausl. Effekten.

Auftraggemäss teilen wir Ihnen ergebenst mit, dass mit Rücksicht auf die Dringlichkeit des Devisenbedarfs eine weitere Belassung nicht mehr zugestanden werden kann. Wir bitten Sie deshalb, nunmehr umgehend den Verkauf der von uns unterm 5. Juli abgeforderten Wertpapiere vornehmen zu lassen. Der Erlös darf aber nicht mehr der Deutschen Golddiskontbank, sondern nun muss vielmehr aus bestimmten Gründen der Reichsbankdirektorium Berlin bei der Federal Reserve Bank of New York in New York zur Verfügung gestellt werden.

Reichsbanknebenstelle.

PLAINTIFF'S EXHIBIT 25B - LETTER OF R. HORSTMANN TO AMERICAN CONSULATE GENERAL, MUNICH 3/30/58

Enclosure 36

E 242

[Translation]

[Wetzel/li/47]

Richard Horstmann in the firm of
Textilmanufaktur GmbH

Wool Weaving Mill and Stocking Factory

Secretariat

Moerlenbach, Odenwald,
March 30, 1958.

American Consulate General,
28 Ludwigstrasse,
Munich 2.

Dear Sirs,

In reply to your letter of March 6, 1958, I wish to state the following:

As far as I know, the firm of W. & H. Schmieder, Meerane, Saxony, was closed down approximately in mid-1942 by order of the Reich Office for Wool.

The reasons for the closing down were lack of material and to release labor for industry of military importance. However, the owner of the firm was known to Party offices as anti-Nazi. That was certainly a decisive reason for closing down the firm or decided the issue.

I affirm that I have made the above statements to the best of my knowledge and belief.

Yours very truly,

(s) Richard Horstmann

E243

Richard Horstmann i.Fima:

TEXTILMANUFAKTUR
G m b H
WOLLWEBEREI UND STRUMPFFABRIK

SEKRETARIAT

MÖRLENBACH, ODW
30 - 3 - 58

An das
Amerikanische Generalkonsulat

M ü n c h e n - 2

Ludwigstr. 28

Sehr geehrte Herren !

In Beantwortung Ihres Schreibens vom 6.März 1958 gestatte ich mir, Ihnen folgendes mitzuteilen:

Die Firma W. & H. S c h m i e d e r , Meerane/Sa., wurde meines Wissens nach etwa Mitte des Jahres 1942 auf Anordnung der Reichsstelle für Wolle geschlossen.

Die Gründe der Schließung waren Materialmangel und Freistellung von Arbeitskräften für die kriegswichtige Industrie. Der Inhaber war aber bei den Parteistellen als Anti-Nazi bekannt. Das hat sicher auch bei der Stillegung einen entscheidenden Grund bzw. Ausschlag gegeben.

Ich versichere, obige Angaben nach bestem Wissen und Gewissen gemacht zu haben.

mit vorzüglicher Hochachtung !
Richard Horstmann

E244

PLAINTIFF'S EXHIBIT 25A - STATEMENT OF ALFRED PROEHL
DATED FEBRUARY 21, 1958

Enclosure

/Translation/

/Bl

Alfred Proehl

Ort near Helmbrechts / county Muenchberg, Land Bavaria.

I herewith confirm the following in lieu of oath:

I know that the firm W. & H. Schmieder was closed on July 1, 1942 by order of the Reich Office for Wool.

The principal reason was that Mr. Kurt Schmieder as the owner of the firm W. & H. Schmieder had been known for many years as an opponent of the Party.

He often expressed his opinions in public against National Socialism and ran the risk of being arrested one day.

From March 1945 I spent several months with Mr. Schmieder in Koenigsbrueck near Dresden, where the home-defense battalion had been put into action. Several of us, including Mr. Schmieder in particular, took advantage of every opportunity to switch on forbidden stations on the radio in the homes of the civilian population in order to hear news from abroad regarding the prevailing situation.

Ort, February 21, 1958.

(s) Alfred Proehl.

(Kurt G. Schmieder)

Alfred Pröhl
Ort b. Helmbrechts /Landkreis Münchberg-Land Bayern

E 245

Ich bestätige hiermit folgendes an Eidesstatt:

Es ist mir bekannt, daß die Fa. W. & H. Schmieder am 1. Juli 1942 auf Befehl der Reichsstelle für Wolle geschlossen wurde.
Der Grund war hauptsächlich darin zu suchen, weil Herr Kurt Schmieder als Inhaber der Fa. W. & H. Schmieder seit vielen Jahren als gegner der Partei bekannt war.
Er hat sich oft öffentlich gegen den Nazionalsozialismus ausgesprochen und lief Gefahr eines Tages verhaftet zu werden.
Ich habe seit März 1945 mit Herrn Schmieder mehrere Monate in Königsbrück bei Dresden gelegen, wo das Volkssturm-Bataillon eingesetzt war. Mehrere von uns, darunter Herr Schmieder besonders haben jede Gelegenheit benutzt um bei der Zivilbevölkerung das Radio auf verbotene Sender einzuschalten um Auslandsnachrichten über die jeweilige Lage zu erfahren.

Ort, den 21. Februar 1958

Alfred Pröhl

RECEIVED
[illegible]

E246'

DEFENDANT'S EXHIBIT I - LETTER OF DWYER TO HALL, JR. DATED AUGUST 26, 1966

Sp. Gd. E-#11-ID
12-10-70 (4sp) JM

MRS. H. B. DWYER
240 CENTRAL PARK SOUTH
NEW YORK, NEW YORK 10019

August 26, 1966

Mr Louis H Hall Jr
250 Park Avenue
New York N.Y. 10017

Dear Son:

My will, of course, expresses my desires as to disposition of my assets. The following is for your information and, as I have no relatives here, I would appreciate your making any necessary arrangements for my burial.

It is my wish to be cremated and the ashes interred in the Edwin L McCulloch plot in Dale Cemetery, Connersville, Indiana. The space is indicated on the map of said cemetery. I would like a marker erected, notating the cremation plot and bearing the inscription

Helen Mulliken Dwyer
1895 - 19--

E 247 (2

MRS. H. B. DWYER
240 CENTRAL PARK SOUTH
NEW YORK, NEW YORK 10019

August 26, 1966

I want no services in New York but would like commitment services as conversely conducted by the minister of the Central Avenue Methodist Church which I attended when I lived in Connersville.

I was born in Connersville, Indiana October 21, 1895 - parents, George E. Mulliken and Mary Berry Mulliken after my mothers death in 1898 I made my home with my aunt and uncle, Alex Mulliken McIntosh and Edwin L McIntosh and lived in Connersville until 1914. I have lived in New York since 1929.

You can call on Mrs. [illegible], my cousin, her daughter, my [illegible] Mrs. Travis Herrin and [illegible], Robert B Travis for any help on arrangements in

E 248

(3)

MRS. H. B. DWYER
240 CENTRAL PARK SOUTH
NEW YORK, NEW YORK 10019 August 26 1966

Connersville. The funeral home we have used in the past is the Myers Funeral Home.

The present addresses of the persons named in my will are:

~~Mrs Stella~~ Mrs. Stella Davis
1417 Central Avenue
Connersville, Indiana

Robert B Davis, her son
240 Lawndale Drive
Plainfield, Indiana

Sue Davis Harris, her daughter
Club
Country Hills RFD #1 Connersville
Indiana

Sarah V. Erdi
5002 - 23rd Parkway
Hillcrest Heights
Maryland 20013

E249 (4

MRS. H. B. DWYER
240 CENTRAL PARK SOUTH
NEW YORK, NEW YORK 10019

August 26, 1966

I am leaving with you a letter for Robert Davis containing certain requests as to disposition of my personal effects and if it is necessary for him or Mrs. Harris to come to New York for any reason connected with the settlement of my estate, I would like the estate, if possible, to take care of their expenses.

I enclose a list of names and addresses of the only blood relatives I know of other than Mrs Davis and her children

Knowing and being associated with you and the Hall family has meant so much to me over the years and I thank you for all you have done for me.

As ever

Helen B Dwyer

PLAINTIFF'S EXHIBIT 15-A - SANBORN TRANSCRIPT DATED AUGUST 26, 1971

SURROGATE'S COURT : NEW YORK COUNTY

- x

In the Matter of the Probate of the Last Will and Testament of

HELEN B. DWYER,

Deceased.

: File No. 4663/70

- x

EXAMINATION of FREDERIC R. SANBORN, pursuant to subpoena, at the offices of Messrs. Maloney & Doyle, 16 Court Street, Brooklyn, N. Y., on Thursday, August 26, 1971, at 2:00 P.M., before a Notary Public of the State of New York.

E251

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* * *

A P P E A R A N C E S :

For the Public Administrator, New York County:

JOSEPH T. ARENSON, ESQ.
291 Broadway
New York, N. Y.
By: ELI KARBAN, ESQ., of Counsel

For the Preliminary Executors:

MESSRS. OWEN & TURCHIN
60 East 42nd Street
New York, N. Y. 10017
By: RICHARD OWEN, ESQ., of Counsel

For the Statutory Distributees:

MESSRS. POLETTI, FREIDIN, PRASHKER, FELDMAN & GARTNER
777 Third Avenue
New York, N. Y.
By: MARK ELLMAN, ESQ., of Counsel

For the Guardian Ad Litem for Lois A. Lucas, an Incompetent:

MESSRS. CRAVATH, SWAINE & MOORE
1 Chase Manhattan Plaza
New York, N. Y. 10005
By: JAMES P. DUFFY, III, ESQ., of Counsel

For Frederic R. Sanborn:

MESSRS. MALONEY & DOYLE
16 Court Street
Brooklyn, N. Y. 11201
By: JOHN C. DOYLE, ESQ., of Counsel

* * *

F R E D E R I C R . S A N B O R N , having been duly sworn, testified as follows:

THE WITNESS: I can save a great deal of time and effort here. I take it you gentlemen have a subpoena in front of you. Do you?

MR. DUFFY: I do.

THE WITNESS: Beginning on the first page, at line 11, where it says, "All books, papers, records and writings," and continuing so as to include every word there set forth, with inexcusable verbosity, to the top of the second line, "proceeds thereof," I did not have any of those books, papers, writings, et cetera -- being now under oath and repeating the entire phraseology -- at the time the subpoena was served on me and I do not have any of these papers today. That covers it completely.

EXAMINATION BY MR. DUFFY:

Q Did you ever have copies of those papers in your possession at any time?

A Never.

Q You are aware of the existence of such papers.

A No, I am not. My connection with this case was rather no more than peripheral.

Continuing to shorten this up, beginning at the

top of Page 2, where it says, "To the manner in which Jenny Bochman..." I never heard or knew of Jenny Bochman "--and/or Kurt Schmieder transferred the assets of Stoneleigh Corporation --" I know nothing of Stoneleigh Corporation or of its assets "--to Helen B. Dwyer on or about March 15, 1938." I know nothing of all that.

Item 3: "To any communication with Judge Louis H. Hall, Sr., Louis H. Hall, Jr. or any other person concerning the nature of the transaction between Helen B. Dwyer and Jenny Bochman and/or Kurt Schmieder." I have no recollection or knowledge of that alleged transaction. As I have said, I never even heard of Jenny Bochman.

4: "To any claims asserted by any person against Helen B. Dwyer with respect to the property transferred to her from Stoneleigh Corporation --" of which I know nothing "-- or the proceeds thereof including any claim by the United States Government." I am not familiar with the details of any such claims and I never was.

Item 5: "And by Kurt Schmieder." All I know of Kurt Schmieder is that somewhere in the 1960's I wrote him one or possibly two letters. The dates I cannot remember.

6: "To any advice you may have given Helen B.

Dwyer with respect to her estate or the dispositien thereof including any wills or codicils you prepared or reviewed and to any investment or financial advice you may have given to Helen B. Dwyer." I never advised her with respect to her estate or the dispositien thereof; I never prepared or reviewed any wills or codicils and I never gave her any investment or financial advice. That covers that.

Q Was it your testimony, Mr. Sanborn, that you never heard of Stoneleigh Corporation?

A Not that I can recollect. I don't even know there was such a corporation.

Q Does the name E. Callan mean anything to you, sir?

A After I had left the office in the year 1954 -- I have been away from the office for upwards of seventeen years -- I believe that he was employed. But I do not know anything about him except a faint recollection that I think he came in at some later date, after I had left. But I am not sure.

Q Let me show you a piece of paper headed, "Memo from Mr. Sanborn" signed by E. Callan --

A What date?

Q The date is January 29, 1949. And the caption is,

"Stoneleigh Corporation."

I ask you if that refreshes your recollection with respect to any of these matters.

A May this be marked for identification.

MR. DUFFY: Please mark it as Special Guardian Exhibit 1.

(Photocopy of paper headed, "Memo from Mr. Sanborn" dated January 29, 1949 marked Special Guardian Exhibit 1 for identification.)

MR. DOYLE: Have you a better copy than this?

MR. ELLMAN: I don't know if this one is any better.

MR. DOYLE: It looks a little better.

A (Continuing) At the distance of upwards of twenty-two years it does not refresh my recollection in any way.

Q Does the name George C. Pendleton refresh your recollection?

A Not at all.

Q Do you ever recall writing to George C. Pendleton?

A No, I do not.

Q Does the name Burroughs refresh your recollection, J. Edward Burroughs, Jr.?

A No, not at all.

Q How about Max O'Rell Truitt?

A Yes. I knew him through my wife thirty-odd years ago. He was a friend of my late wife. What became of him, I do not know, whether he is alive or anything else.

Q Do you ever recall writing to Mr. Truitt in connection with Stoneleigh Corporation or any matters involving Mrs. Dwyer?

A No, I do not.

MR. DUFFY: Would you mark these Special Guardian Exhibits: a letter dated January 19, 1950 from Mr. Sanborn to J. Edward Burroughs; a letter dated November 28, 1949 from Mr. Burroughs to Mr. Sanborn; and a letter dated November 22, 1949 from Mr. Sanborn to Mr. George C. Pendleton.

(Photocopy of letter dated January 19, 1950 from Mr. Sanborn to J. Edward Burroughs marked Special Guardian Exhibit 2 for identification.

Photocopy of letter dated November 28, 1949 from Mr. Burroughs to Mr. Sanborn marked Special Guardian Exhibit 3 for identification.

Photocopy of letter dated November 22, 1949 from Mr. Sanborn to Mr. George C. Pendleton marked Special Guardian Exhibit 4 for identification.)

Q Would you please take a look at those three

exhibits and see if they refresh your recollection in any way.

A At a distance of twenty-one or twenty-two years I have no recollection of any of these matters.

MR. DUFFY: Mark this for identification, please. It is a copy of a memo in Mr. Sanborn's handwriting.

THE WITNESS: Have you ever seen me sign my name? Yes or no.

MR. DUFFY: I am not the witness.

(Photocopy of handwritten memorandum marked Special Guardian Exhibit 5 for identification.)

THE WITNESS: I ask to have stricken the decision by Mr. Duffy that he knows my handwriting unless he can qualify himself as a handwriting expert, which I doubt he can.

I cannot decipher anything on Special Guardian Exhibit 5 for identification. It is illegible. But it does not refresh my recollection.

Q Do you recognize your initials in the lower left-hand corner?

A They don't look like my initials at all. They are not in my handwriting.

Q Do you recognize the N, the Y and the T?

A That looks as if it might be in my handwriting.

Q How about the initials APC?

A They might be in my handwriting. What is the alleged date of this document?

Q March 17, 1949.

A It is over twenty-two years ago. I have no recollection of it.

Q Do you see the name Pendleton on the top line?

A That may or may not be in my handwriting. I am not sure.

Q Is the name William Graupner familiar to you?

A No, I don't place that name at all.

Q The name Herman Graupner?

A I don't place that name at all.

Q Annaliese Krause.

A Not in the slightest.

Q Annaliese Hunkins.

A Not in the slightest.

Q Is it your testimony, Mr. Sanborn, that the first time you can recall the name of Kurt Schmieder is sometime during 1960 when you communicated with him?

A I cannot recall the date. I have no record of that. But just sometime in the 1960's. If you have a good photostat of the letter I wrote him, that would presumably fix the date.

MR. DUFFY: Please mark these two telegrams as Guardian Exhibit 6.

(Photocopy of two telegrams marked Special Guardian Exhibit 6 for identification.)

Q Please refer to the second telegram on that page. Tell me if this refreshes your recollection with respect to this date.

A I presume, then, my memory is at fault and that when I thought I had written him a letter I must have sent him a cable and if this says, "October 30, 1967," I will accept the date.

Q Do you recall why you sent that telegram?

A Yes.

Q Who asked you to send the telegram?

A Under Section 4503 of the Civil Practice Law and Rules, unless the client, being a Mrs. Dwyer, waives any privilege, I shall not and will not disclose and I shall not and will not be allowed to disclose such communications. I, therefore, decline to answer your question.

MR. DUFFY: We are going to get a ruling on that.

Q Did Mrs. Dwyer ask you to send that telegram?

A Under Section 4503 I decline to answer for the reasons already stated in more length.

MR. DUFFY: We will get a ruling on that.

Q Was Mrs. Dwyer a client of yours?

A Yes.

Q When did the attorney-client relationship come into existence?

A I don't remember.

Q Was it in existence at the time of this telegram?

A Yes.

Q Did Louis Hall, Jr. ask you to send that telegram?

A No.

Q Did Louis Hall, Jr. communicate with you with respect to this telegram?

A To the best of my recollection, he did not.

MR. DUFFY: Please mark this as Special Guardian Exhibit 7.

(Photocopy of letter dated December 13, 1967 marked Special Guardian Exhibit 7 for identification.)

Q Did Kurt Schmieder reply to your telegram?

A I don't recall whether he did or he didn't.

Q Do you recall writing Kurt Schmieder further after sending that telegram?

A I have a vague recollection that there may have been some further letter written.

Q Do you recall the date of that letter?

A Not in the slightest.

Q Do you recall what you may have said in that letter?

A No, I do not, except in what I hoped was a parliamentary way I told him, in substance, to go fly a kite.

Q Did you tell Mr. Schmieder anything else in this letter?

A Not that I can recollect. The letter would speak for itself if you have the original of the letter there.

Q Prior to your writing this letter to Mr. Schmieder, do you know whether anyone else would have communicated with Mr. Schmieder on Mrs. Dwyer's behalf?

A I do not know.

Q Prior to writing this letter to Mr. Schmieder --

MR. DOYLE: By "this letter," what are you referring to?

THE WITNESS: The unidentified letter.

MR. DOYLE: I think he ought to look at it.

MR. DUFFY: He has a recollection of a letter. I want to know what he knows.

THE WITNESS: The letter is the best evidence, not my recollection. You ought to know that much.

young as you are.

Q Prior to your writing this letter that you have a recollection of --

MR. DOYLE: What letter are you referring to?

MR. DUFFY: Mr. Doyle, I have already told you, the letter that Mr. Sanborn has a recollection of.

A I have no recollection of it until I see it. You have not marked it nor produced the original. Mark it for identification if you have the original.

Q Prior to December 13, 1967, do you know if any person made claim against Mrs. Dwyer on behalf of Kurt Schmieder or the assets that she received from Stoneleigh Corporation?

MR. OWEN: I object to the form of the question, as calling for a legal conclusion and without specificity of time. I don't have the power to direct the witness to answer or not to answer, but I want my objection to be noted.

A I have no recollection of these dates and, as I have told you two or three times, the only way I can possibly refresh my recollection is to see the original of any letter you claim to have.

Q Do you maintain a file for your correspondence for 1967?

A None.

Q Did you ever maintain a file for your correspondence for 1967?

A Only a personal file having to do with my own private affairs; no other file.

Q Did you keep a file with respect to the telegram and the letter that you sent to Kurt Schmieder in 1967?

A I did not.

Q Do you know if anyone else kept a file with respect to these matters?

A I do not know whether anyone else kept a file and I object to the silliness of that question.

Q I show you Special Guardian Exhibit 7 and I ask you if that refreshes your recollection.

A I believe that is a carbon copy of a letter which I wrote to Kurt Schmieder on or about the 13th of December 1967, referring to Special Guardian Exhibit 7 for identification.

Q You say in that letter, Mr. Sanborn, that at the meeting that Mr. Schmieder requests you would have nothing whatever more to say to Mr. Schmieder than what he has been told many times.

What had he been told many times?

A I believe he had been told many times that he had

no lawful claim under the laws of the United States or under the laws of Germany. That is my impression.

Q Who told him this?

A I wouldn't know. I presume the late Judge Hall did so or perhaps Louis, Jr. did so. I wouldn't know.

Q What is the basis for your belief that he had been told this?

A Just a general hunch.

Q When would he have been told this?

A I wouldn't know.

Q What is the basis of your belief that Louis Hall, Jr. told Kurt Schmieder this?

MR. OWEN: I object. The record doesn't say "believe." It says "presumed."

MR. DUFFY: Read the response back, please.

(The record was read.)

A I didn't say it was my belief. I said I had a kind of a hunch.

Q What was the basis for your hunch that Louis Hall, Sr. told Kurt Schmieder that he had no claim?

A I couldn't possibly tell you that.

Q What was the basis for your hunch that Louis Hall, Jr. had told Kurt Schmieder this?

A I have the vaguest of impressions that Judge Hall,

who is Louis Hall, Jr., had made some uncomplimentary remarks about Kurt Schmieder at some distant time that I am not able to be precise about and that would have been more than twenty-odd years ago according to the date you gave me as to Judge Hall's death.

Q That was the only basis, then, for your statement that appears as the first sentence of Paragraph 2 of this letter, namely, "At such meeting I would have nothing whatsoever more to say to you than what you have been told many times."

A Something like that must have been the basis for my belief.

Q Was that the only basis for your belief?

A I had formed an uncomplimentary opinion about Schmieder myself for, as you may know, I spent over five years in Germany and Germans, like dogs, come in all shapes and sizes and colors and there are some Germans who are extraordinarily low and I have experienced them and I had the feeling that Kurt Schmieder represented one of the worst types of bad Germans. It was a purely intuitive feeling.

Q During this period while you were in Germany that you spoke of, did you have occasion to meet with Kurt Schmieder or to communicate with him in any way?

A Not in the slightest. I was a judge sitting in the Supreme International Court, the equivalent of the Supreme Court of the United States, and I engaged in no private practice. In fact I terminated my relationship with my firm over seventeen years ago. I would have thought it a great impropriety to have anything to do with any private person. We sat on the same exact relative level as the Supreme Court of the United States.

Q In Paragraph 3 of Special Guardian Exhibit 7 for identification you say there was never any agreement.

What was the basis for that statement?

A May I see it.

Pursuant to the provisions of Section 4503 of the CPLR I decline to disclose any communication I had with Mrs. Dwyer, who is dead and who cannot waive the privilege.

MR. DUFFY: We will get a ruling.

Q It is your testimony, then, that your knowledge that there was never any agreement comes from Mrs. Dwyer.

A I decline to reveal directly or indirectly any portion of any conversation I had with my client, Mrs. Dwyer.

MR. DUFFY: I will seek a ruling on that.

MR. ELLMAN: Off the record.

(Discussion off the record.)

Q Did you ever discuss whether there was an agreement on the part of any person to return the assets held by Mrs. Dwyer --

MR. DOYLE: With whom?

MR. DUFFY: Let me finish the question first, Mr. Doyle.

Q -- to Kurt Schmieder with Louis Hall, Jr. or his father?

MR. OWEN: I am going to object to that on the ground of the attorney-client privilege.

MR. DUFFY: Whose privilege are you claiming?

MR. OWEN: Mrs. Dwyer's privilege. I represent the estate. If Judge Sanborn spoke to Louis Hall about this subject and revealed something Mrs. Dwyer told him, then it would be a breach of his duty as an attorney and he is not authorized to do it.

THE WITNESS: It would be a further breach to disclose anything that passed between attorney and attorney in regard to the affairs of a client.

Q When your firm participated in the gift transaction, if you know, who did you represent? Mrs. Dwyer or the donor of the gift?

MR. OWEN: Lay a foundation for that question.

MR. DOYLE: Let me hear the question.

(The pending question was read.)

MR. DOYLE: Obviously that is assuming a state of fact not shown to exist. Please don't answer it.

MR. DUFFY: I think, Mr. Doyle, this letter shows --

MR. DOYLE: Let's not argue it. Let the surrogate decide it if you wish to except to the ruling.

MR. OWEN: Which letter are you referring to?

MR. DUFFY: Exhibit 7. It shows a cognizance of the transaction.

Q Do you know now, Mr. Sanborn, how Mrs. Dwyer came to receive the substantial bulk of her property?

A I do not. I don't even know what property you are referring to, your question being vague and indefinite.

Q Do you know what property it was that Kurt Schmieder was seeking when he wrote Mrs. Dwyer?

A No, I don't even know that.

Q Did you ever know?

A Never.

Q You referred to an alleged claim in Special Guardian 7.

What was the nature of that alleged claim?

A Would you show me the letter.

Q Paragraph 3.

A That was simply the precaution that a lawyer uses

in referring to a claim which is without any foundation, legal, moral or equitable. If you haven't used that phrase often, then you aren't a very experienced lawyer.

Q Mr. Sanborn, I am sure everyone in this room would bow to your superior expertise, myself included.

A I am glad they will, particularly you.

Q I show you Special Guardian Exhibit 6. Would you please look at the telegram that Mr. Schmieder sent to Mrs. Dwyer and tell me whether that indicates to you that Mr. Schmieder was making a claim against Mrs. Dwyer.

A It all depends --

MR. OWEN: Excuse me. May I note for the record that I think it is entirely irrelevant what Judge Sanborn deduces from the plain language of Kurt Schmieder's telegram, but I have no objection to his answering it.

MR. DOYLE: I think it means what it means.

A (Continuing) I think it speaks for itself.

MR. DUFFY: Would you please mark this as Special Guardian Exhibit 8-A.

(Photocopy of English translation of letter to F. R. Sanborn from Kurt Schmieder dated 16 November '67 marked Special Guardian Exhibit 8-A for identification.)

MR. OWEN: Mr. Doyle, I am going to mark the original photocopy of the German because at this point I am not prepared to stipulate the absolute accuracy of the translation. I feel the two exhibits should be marked together.

MR. DOYLE: This 8-A purports to be a translation -- incidentally, it is unsigned -- of a communication purportedly dated 16 November 1967 by Mr. Schmieder.

MR. DUFFY: Please mark this.

(Photocopy of letter, in German, to F. R. Sanborn from Kurt Schmieder dated 16 November '67 marked Special Guardian Exhibit 8-B for identification.)

MR. DUFFY: I would like the record to note that both Exhibits 8-A and 8-B come from files formerly in the possession of Louis M. Hall, Jr. The name of the file was "Stoneleigh Corporation."

THE WITNESS: Why don't you swear if you wish to give evidence? I don't know that that is true.

MR. DOYLE: I don't think the record so shows.

MR. DUFFY: Mr. Owen, you are now in custody of this file; is that correct?

MR. OWEN: I don't know which file they came from. They were produced for your inspection. There is more

detail. I would have to research it.

MR. DOYLE: We do not agree to the observation.

Q Do you read German, Mr. Sanborn?

A I used to be able to read German, but I left Germany at the end of 1959 and am now twelve years stale.

Q Can you attempt to read Special Guardian Exhibit 8-B?

MR. DOYLE: What is the purpose of all that? You know that his translation or reading of it or interpretation of it is no good. It has to be a certified interpreter.

THE WITNESS: Moreover, so far as I can observe, there is handwriting on the German document and the handwriting is not my handwriting.

Q Did you read Special Guardian Exhibit 8-A?

A I have no recollection of seeing either document.

Q Special Guardian Exhibit 7 is your letter in response to Special Guardian Exhibit 8-A.

A Will you show it to me. Now will you show me the other document.

MR. DUFFY: Let the record note that Mr. Sanborn is referring to the German text.

A (Continuing) It seems probable to me that I may have received Special Guardian Exhibit 8-B for identification

because I referred to it in Special Guardian Exhibit 7 for identification.

Q Did you read Special Guardian Exhibits 8-A or 8-B?

A Did I read it?

Q Just now.

A No, I did not.

Q Would you please read them.

MR. DOYLE: If you can.

A The photostat of Special Guardian Exhibit 8-B for identification is so poor that it is very difficult to read, very difficult.

The translation is not entirely accurate and some of the German is illegible through the bad photostating.

Q From what you were able to read, Mr. Sanborn, was Mr. Graupner making any claim against Mrs. Dwyer?

A Mr. Graupner isn't even mentioned in those letters.

Q I made a mistake.

Did Mr. Schmieder make any claim against Mrs. Dwyer in Special Guardian Exhibit 8-B?

A I took it that his idea was to come and beg and whimper.

Q But you find no suggestion of a claim.

A Not genuinely, no.

Q Any suggestion.

MR. OWEN: I object.

MR. DUFFY: I don't know what that means. Does he find a suggestion of a claim or not?

MR. DOYLE: You have also included your translation of it.

MR. OWEN: I submit the letter speaks for itself. Either it makes a claim or it does not.

MR. ELLMAN: For the record, the translation was by someone in the Louis Hall office. It is not our translation.

MR. DOYLE: I move to strike that out.

MR. OWEN: I don't know that that is so either.

MR. DUFFY: It came out of your files.

MR. OWEN: That's true, but I don't know where that translation was made. It could have been made by someone's German maid. I am not representing who made the translation. It did come from our files.

Q I refer again to Special Guardian Exhibit 7, specifically Paragraph 3, where you say there was never any agreement.

Does Mr. Schmieder speak of an agreement in Special Guardian Exhibit 8-B?

MR. OWEN: I submit 8-B speaks for itself.

A It speaks for itself.

Q I am trying to ascertain where it is that you felt it necessary, in responding to Special Guardian Exhibit 8-B -- where you felt it was necessary to tell Mr. Schmieder that there was never any agreement, that he never had a claim, that Mrs. Dwyer wouldn't pay him any money.

Why did you feel it was necessary to make these statements to him?

A Because of confidential communications I had with my client, Mrs. Dwyer, in connection with Section 4503 of the CPLR.

MR. DOYLE: A further objection is made as to the form of the question.

MR. DUFFY: We are going to get a ruling on that. Please mark this Special Guardian 9.

(Photocopy of handwritten letter dated December 13, 1967 marked Special Guardian Exhibit 9 for identification.)

Q Do you know if you ever sent a copy of Special Guardian Exhibit 7 to any person other than Mr. Schmieder?

A I do not recollect.

Q Would you have sent a copy of that letter to

Louis Hall, Jr.?

A Are you referring to the letter to Kurt Schmieder in which I said, in substance, no dice?

Q Special Guardian 7.

A If that is the document --

MR. OWEN: Judge, look at the document so that you won't have any question in your mind.

A (Continuing) Referring to Special Guardian Exhibit 7 for identification, I believe I sent a copy to Mrs. Dwyer.

Q Did you send a copy of that to anyone else?

A I do not recollect whether I did or did not send a copy to Mr. Hall, Jr.

Q I note that the date of Special Guardian Exhibit 7 is December 13 and the letter that you are answering --

A December 13, 1967. Let us clarify it, please.

Q Certainly. I note that the date of the letter that you were responding to is November 16, 1967.

Do you recall why there was such a long delay between the time you received the letter from Mr. Schmieder and the time you responded to Mr. Schmieder?

A I do not recall.

Q At the time you wrote Special Guardian Exhibit 7, was Mr. Schmieder in fact making a claim against

Mrs. Dwyer?

A I do not know. You must ask Mr. Schmieder that question, not me.

Q I show you Special Guardian Exhibit 9 for identification, which is a letter dated December 13, 1967 from yourself to Mrs. Dwyer.

A I object to any use being made of Special Guardian Exhibit 9 for identification dated December 13, 1967, it being a private communication betwixt me and my client and it is an impropriety for anyone to have removed it from her papers or having attempted to use it without her consent or mine.

Q Did you read Special Guardian Exhibit 9?

A I only glanced at it.

Q Would you read it, please.

A No, I will not read it because it is improper for you to raise any questions in regard to it and you or someone has engaged in a serious impropriety.

Q Mr. Sanborn, please read Exhibit 9.

A I shall not do so.

Q I am going to ask you to read that exhibit because I want to find out whether it refreshes your recollection.

A You can ask anything you like. I decline to read

it and decline to answer any questions in connection with the document or a photostat thereof which is not properly in your possession.

MR. ELLMAN: Judge Sanborn, may I ask a question?

MR. DOYLE: No.

MR. DUFFY: I have no objection if he asks a question.

MR. DOYLE: I have an objection.

MR. ELLMAN: I will ask the question on my direct.

Q I am going to ask you again, Mr. Sanborn, please read that letter and see if it refreshes your recollection as to whether Mr. Schmieder was making a claim against Mrs. Dw[illegible]n that date.

A I decline to read the letter, I decline to be questioned on the letter. I take the point that you or someone is in improper possession of a confidential communication under Section 4503.

Q Are you declining to refresh your recollection with respect to these matters?

MR. OWEN: That's what he said three times.

A Goddammit, no. I am telling you I will not answer a question which is privileged.

Q I have not asked you a question yet. I am just asking you to read that so that it will refresh your

recollection.

A I will not let that be the foundation for your attempt to make me violate my professional honor.

MR. ELLMAN: I would like to note something for the record. He is claiming privilege on something which, by his own testimony, he has not read and it totally escapes me how a man can claim that a document is a confidential communication when he testified he had no recollection of it and refuses to read it.

MR. DOYLE: We will reserve any comment. He will not answer the question.

MR. ELLMAN: I just wanted to note that for a ruling.

MR. DUFFY: There is no question pending.

THE WITNESS: Let me add that this is addressed to Mrs. Dwyer. It purports to be a photostat of some letter and it purports to concern the confidential advice that I was giving to my client, Mrs. Dwyer, and it is addressed to Mrs. Dwyer and for these reasons it is an impropriety to ask me to do anything in regard to it and it is a serious impropriety as to whoever managed to extract that document from the files of the late Mrs. Dwyer.

MR. ELLMAN: I won't make any comment.

MR. DUFFY: Mr. Owen and his office were kind enough to provide us with a copy of this document. Let the record note that. We will seek a ruling on that matter. We feel that we are properly entitled to have Mr. Sanborn's recollection refreshed and to ask him questions.

MR. DOYLE: We understand that. Why burden the record? We understand that you are going to get certain rulings. That's what the court is for.

Q Mr. Sanborn, did Mrs. Dwyer ever indicate to you why it was that she wished you to handle this particular matter in contrast to Louis Hall, Jr., who she claimed was her attorney?

MR. OWEN: I object to the form of the question. There is no foundation laid for about half of it.

A I have no reason to know why she liked me better than somebody else, no. You are asking me to form a conclusion as to the mental operation of the late Mrs. Dwyer's mind.

MR. DOYLE: It also assumes a state of facts not shown to exist.

Q Did Mrs. Dwyer ever state to you that she was pleased that you were familiar with the background --

MR. DOYLE: Wait a minute. If you are going to

get into communications with Mrs. Dwyer, we might as well make one blanket statement with respect to all of them. Put your questions on and the answer will stand for all of them, I assume. The objection will be that of privilege.

MR. ELLMAN: Within the scope --

MR. DUFFY: Please.

MR. DOYLE: If you are talking about 4503(b), you had better look it over again.

MR. ELLMAN: I am not talking about 4503.

MR. DUFFY: Would you read back the last question, please.

(The pending question was read.)

Q Mr. Sanborn, did Mrs. Dwyer ever state to you that she was pleased that you were familiar with the background of the transaction that gave her the assets of Stoneleigh Corporation?

A First of all, I object to the form of the question as assuming what has not been proven here. But in the next place I decline to answer under the ground of Section 4503, already mentioned, as to any conversation I had with the late Mrs. Dwyer, she being my client.

MR. ELLMAN: I will note for the record again that the attorney-client relation to privilege only

extends to communications within the scope of the relationship where the attorney is giving legal advice or the client is disclosing matter, asking for the attorney's legal advice and mere personal correspondence between an attorney and his client not within the scope of seeking or obtaining legal advice is not privileged.

MR. DOYLE: We disagree.

THE WITNESS: There was never any personal correspondence with Mrs. Dwyer; it was all entirely professional, attorney and client.

MR. DUFFY: Please mark that for identification as Special Guardian Exhibit 10.

(Photocopy of handwritten letter dated December 23, 1967 marked Special Guardian Exhibit 10 for identification.)

Q Mr. Sanborn, were you at any time familiar with the background of the transaction that resulted in Mrs. Dwyer receiving the assets of Stoneleigh Corporation?

A As I have told you several times already, I do not know what the source of the alleged assets was and I do not know about Stoneleigh Corporation. I have no recollection of it.

Q Do you know if Mrs. Dwyer thought you were

familiar with this transaction?

MR. OWEN: Objection.

A I do not know what Mrs. Dwyer thought and it calls on me to attempt to guess at the mental operation of another person. You should know better than I to ask such a stupid question.

Q Do you have a recollection of receiving any communication from Mrs. Dwyer subsequent to the time you sent her a copy of Special Guardian Exhibit 7?

A I don't remember.

Q You have no recollection of receiving any communication from Mrs. Dwyer.

A None indeed.

Q Let me show you Special Guardian Exhibit 10 and ask you if that refreshes your recollection.

A No, I have no recollection of that letter whatever. Notice also that it is an impropriety on your part to be in possession of a communication from my client to me in regard to the case.

Q Do you have any recollection of receiving any further communications from Mrs. Dwyer subsequent to Special Guardian Exhibit 10?

A None.

Q Do you have a recollection of any further

communications from you to Mrs. Dwyer subsequent to Special Guardian Exhibit 10?

A I have no recollection of that either.

Q Do you have any recollection of receiving any money from Mrs. Dwyer subsequent to Special Guardian Exhibit 10?

A That is irrelevant and immaterial, not within the issues.

Q Did Mrs. Dwyer pay you for your services?

A That is irrelevant and immaterial and objectionable and not within the issues.

Q Mr. Sanborn, you wrote several letters on behalf of Mrs. Dwyer to Kurt Schmieder; is that correct?

A One I can recollect. It is possible there was a second, but I am not clear in my mind.

Q You claim you did so in your capacity as attorney for Mrs. Dwyer; is that correct?

A That is right.

Q In your capacity as attorney for Mrs. Dwyer, did you expect to be paid for your services?

MR. DOYLE: That is objected to.

A Irrelevant, immaterial and objectionable.

The legal aid societies of the United States and the legal defendants could not operate upon what you

tacitly hypothesize. It needs merely a mental acceptation of the relationship and no money whatever needs to pass.

Q Were you in fact paid for your services?

A I object to that as not being within the issues, irrelevant, immaterial and not covered by your subpoena.

Q Mr. Sanborn, you are claiming privilege and I think one of the things you have to do is establish your right to the privilege.

A Tell that to the legal aid society and tell it to the legal defenders.

MR. ELLMAN: We will take a ruling on this whole line of questioning. The whole line of questioning is relevant as to whether there was an attorney-client relationship.

Q What was the nature of your retainer with Mrs. Dwyer in connection with these services that you rendered?

A It has already been covered and the same answer applies.

Q Perhaps you could refresh my recollection.

A The record will. Don't drag it out. Get on with your next question.

Q When did you first meet Helen Dwyer, Mr. Sanborn?

A I have no recollection.

Q What is the earliest time that you recall meeting

Helen Dwyer?

A There is no early time at which I can recall meeting her.

Q Do you recall meeting her at the offices of Putney, Twombly, Hall & Skidmore?

A I believe it was then Putney, Twombly & Putney.

Q Do you recall meeting her at those offices?

A In what sense do you mean meeting? I was aware at some time or other, which I cannot fix within perhaps a decade, that she was employed by Judge Hall. But I can't possibly fix the time.

Q Was Mrs. Dwyer ever your secretary?

A Never.

Q Did Mrs. Dwyer ever type letters for you?

A It is possible that she may have helped out at some time because she was a very cooperative person and if the judge was not in the office and was not busy, she would lend a hand to anyone else who was in a jam at the moment. So I can't say whether she did or she didn't.

Q Do you recall writing any letters in connection with the suit that Mrs. Dwyer brought against the attorney general of the United States?

MR. OWEN: The foundation for that, please.

MR. ELLMAN: He is asking his recollection.

MR. DUFFY: I am asking him what he recalls.

MR. OWEN: I don't believe there has been any question laying the foundation.

A The subpoena does not cover it at all.

Q Do you recall when you first became associated with Mr. Hall in the practice of law?

A Late in the year 1927 I came to the offices of Putney, Twombly & Putney, then as an associate, but I cannot recall at what particular date I first became acquainted with Judge Hall.

Q It would have been shortly thereafter.

A I didn't say that because I can't recollect.

Q Do you recall how many lawyers were in the office at the time you came --

MR. DOYLE: What is the purpose of all this balderdash? Whether it was a dozen or fifty --

MR. DUFFY: Are you objecting to the question?

MR. DOYLE: I object to the question.

MR. DUFFY: On what basis?

MR. DOYLE: Immaterial.

THE WITNESS: And irrelevant, not within the issues and without probative force.

Q When did you first become a partner in Putney,

Twombly & Putney?

MR. DOYLE: That is immaterial, too, and is objected to on that ground.

THE WITNESS: And also on the grounds that I have stated.

Q Were you aware that in 1943 the Alien Property Commission blocked Mrs. Dwyer's assets?

A I was very vaguely aware at some date that I cannot fix that there was some rhubarb -- if I may be colloquial -- with the alien property custodian. The details I am unfamiliar with.

Q What is your best recollection of the date?

A I have no best recollection as to the date.

Q Were you aware that in connection with the alien property matter Mrs. Dwyer made twenty-two applications for licenses to unblock all or part of her funds?

A No, indeed.

Q Do you recall participating in any way in the preparation of any of those license applications?

A I do not believe I had any share in them at all. As I have told you before, my connection with this whole matter was less than peripheral.

Q Are you aware that in 1948 the attorney general of the United States as successor to the Alien Property

Commission vested a portion of Mrs. Dwyer's assets in himself?

A I am not aware of that either.

Q Are you aware that in March of 1949 Mrs. Dwyer commenced a suit against the attorney general of the United States to recover those assets that he had vested?

A No, I am not aware of that either.

Q Did you participate in any way in Mrs. Dwyer's prosecution of that action?

A I have a vague recollection that at some date I cannot possibly fix I had to be down in Washington on some other matter and some motion or something that I can't even remember was coming up at a date I cannot fix and I don't recall whether this was a motion or what it was and whether the motion was submitted or not. I just have no recollection of it. That would have been what date?

Q March of 1949.

A That would have been twenty-two years ago. I have no recollection of it.

Q Do you recall, after Mr. Hall, Jr.'s death, writing the law firm of Cummings, Stanley, Truitt & Cross advising them to address all further correspondence in this particular action to you?

A No, I have no recollection of that. What date

does it bear?

Q I show you Special Guardian Exhibit 3 and ask you if that refreshes your recollection. I direct your attention specifically to the first paragraph.

A It has been twenty-two years ago. I do not have any recollection of it, no.

Q Do you have any recollection of participating in a deposition of one William Graupner in this matter?

None whatever. The name is strange to me. And I believe I have testified to that effect and you are now repeating your question. Won't you stick to the point and not be repetitious?

Q Let me try to refresh your recollection with respect to Mr. Graupner for a minute.

Does the name Demuth Glass Works or Botany Mills or Worsted Mills refresh your recollection?

A I place Worsted Mills, but I don't place anything else.

Q Would it refresh your recollection if I told you that Mr. Graupner was a principal in each of those companies that I mentioned?

A The first company you have mentioned is strange to me. I do not believe that Mr. Graupner was of any importance in Botany-Worsted Mills when I knew it. I knew

Botany-Worstad Mills only in a labor relations case about at the outset of the National Labor Relations Act, which would have been 1935, 1936, something of that sort.

MR. DOYLE: '36, I think. That would be the original Wagner Act.

MR. ELLMAN: Might I note on the record that Judge Sanborn has just testified that he had one connection with Botany-Worsted Mills, with one case which was considerably earlier than the transactions we are talking about here and he was able to fix the time and the date.

THE WITNESS: The reason why I can fix it is because it was the first labor case I ever had and it sticks in my memory and I was allegedly quite a labor expert after that.

MR. DOYLE: I take it you won it.

THE WITNESS: I don't know anyone whoever won a labor relations case.

Q Did you ever participate in the deposition of a gentleman named Britt?

A The name is completely strange to me.

Q Did you ever write J. Edward Burroughs and ask him to accelerate the pace of Mrs. Dwyer's action against the attorney general?

A I do not remember having so written him, no.

Q Do you have any recollection of any settlement negotiations with respect to this particular action?

A What do you mean by "this particular action"?

Q Mrs. Dwyer's against the attorney general to recover the assets that he vested.

A I have a vague recollection that some sort of compromise and settlement was arrived at, but, to the best of my recollection, I did not negotiate it.

Q Did you participate in it?

A I just answered your question.

Q You said you did not negotiate it. But did you participate in it?

A No, I did not participate in it to the best of my recollection.

Q You don't recall writing any letters in connection with the settlement of this action.

A I do not. I have no idea what assets were involved either.

Q You don't recall meeting with any people in Washington with respect to the settlement of this action.

A I do not.

Q You say you recall one meeting where you may have been involved in this action down in Washington.

A I didn't say a meeting. I said I thought it was some sort of a motion or proceeding or something of that sort. That was my testimony.

Q To the best of your recollection, was that your only involvement in this action?

A That is the only one I can recollect and that extremely vaguely.

Q What was the nature of this motion or proceeding?

A I do not remember.

Q You obviously knew Helen Dwyer at this particular time; is that correct?

A You have asked the question previously and I have answered it.

Q Did you know Helen Dwyer on January 19, 1950?

A You are being repetitious again. I already testified on the point.

Q Mr. Sanborn, to save us the difficulty of searching the record and finding out what your answer was -- because, quite frankly, I don't recall that you spoke with any great clarity on this subject -- what is your best recollection as to whether or not you knew Mrs. Dwyer in January of 1950?

A Then you must read the record and carry things in your own mind.

MR. OWEN: He said he knew her as Judge Hall's secretary and he died in '49, so obviously he knew her in 1950.

Q Was she your secretary in 1950?

A You have asked the question and I have answered it. Don't be repetitious. Get to something else.

Q Was Mrs. Dwyer a client of yours in January of 1950?

A I do not think she was, but I really don't remember. That would have been twenty-one years ago and more.

Q When did Mrs. Dwyer first become a client of yours, if you recall?

A She was a client of the office. Therefore, in a certain indirect sense she was a client of mine.

Q You have already told us, Mr. Sanborn, that you left the office.

A In 1954, and never returned.

Q When did Mrs. Dwyer become a client of yours after you left the office?

A At some date in the 1960's, as shown by the paper you have there.

Q Was Mrs. Dwyer a client of yours before October 18, 1967?

A I wouldn't be prepared to say at what date she became my client, but at the approximate date which those letters and telegram show.

Q Do you have any independent recollection, other than these letters and telegrams, of the date on which Mrs. Dwyer became a client of yours?

A No, because the matter did not seem of any particular importance to me.

Q Did Mrs. Dwyer consult with you --

A Would you take your hand away from your mouth. It is difficult to hear you when you do that.

Q Did Mrs. Dwyer consult with you with respect to any inquiries as to her whereabouts from Union Swiss Bank?

MR. OWEN: I would raise a privilege for that.

MR. DOYLE: Would you repeat the question.

(The pending question was read.)

MR. DOYLE: That is objected to, of course.

MR. DUFFY: I will take a ruling on that.

MR. ELLMAN: The only way that can be privileged is if you show there was in fact a communication. So the objection is quite meaningless.

THE WITNESS: May I add that it is not within the scope of the subpoena.

MR. OWEN: Can that question be reread? Maybe we can obviate something.

MR. DUFFY: No.

MR. OWEN: I want to see whether it can be obviated. Please, Mr. Duffy, I want the question read back.

(The pending question was reread.)

MR. ELLMAN: Obviously there can be no objection on the ground of privilege unless there was a communication, and at the time of the ruling --

MR. OWEN: If the answer is yes, then you have violated the privilege.

MR. ELLMAN: If the answer is yes and Jim asks, "What did she tell you?" then you object.

MR. OWEN: I think you can make it more general and then the question may be answered.

THE WITNESS: May I point out that no foundation has been laid for the question besides the fact that it is not included within the subpoena.

Q Do you know, Mr. Sanborn, whether any banking institution was seeking to ascertain Mrs. Dwyer's whereabouts prior to her coming to you?

A You ask me to call upon unknown banks and to express what may have been in the minds of unknown banks

and I cannot answer your question.

Q Your answer is that you have no knowledge as to whether any bank was trying to --

A My answer stands in my own words and not in your attempt to pull them around. I am capable of answering my own questions without aid from you, Mr. Duffy.

Q Do you know whether General Electric Company contacted Mrs. Dwyer --

MR. DUFFY: When you are through laughing, Mr. Sanborn, I will finish the question.

MR. OWEN: At what time?

MR. DUFFY: When Mr. Sanborn is through laughing I will finish the question.

MR. DOYLE: What is the question?

(The pending question was read.)

Q -- to advise her that a Swiss bank was seeking to ascertain her whereabouts?

A One, there is no foundation laid for the question; two, it is not included within the subpoena; and three, I do not know.

MR. ELLMAN: Why didn't you just make it easy and say "No"?

MR. DUFFY: Off the record.

(Discussion off the record.)

Q Special Guardian Exhibit 12 is a letter dated November 17, 1967 from one Annaliese Hunkins to Helen Dwyer.

Mr. Sanborn, will you please look at Special Guardian Exhibit 12 and tell me whether you have ever seen a copy of that before.

A I have never seen the original of which this purports to be a copy.

MR. DOYLE: May I ask what the signature is there?

MR. DUFFY: Will you please read the question and Mr. Sanborn's answer back to me.

(The last question and answer were read.)

Q Mr. Sanborn, I will agree that perhaps you never did see the original of this letter. But have you ever seen a copy of this letter?

A I have never seen the original or a copy either until you showed it to me this afternoon.

MR. DUFFY: I have nothing further at this point.

MR. DOYLE: I have.

MR. OWEN: Take Mr. Ellman's questions, Mr. Doyle.

EXAMINATION BY MR. ELLMAN:

Q Mr. Sanborn, I believe that you have testified --

A Perhaps you would extend to me the courtesy that Mr. Duffy did not. Almost everybody calls me Judge. Not

that it mat s, but it is a small courtesy.

Q Judge Sanborn --

A Thank you. I always appreciate courtesies no matter how small.

Q I am glad to give them as long as they are reciprocal.

I believe you testified that you knew Helen Dwyer as Louis Hall, Sr.'s secretary. Is that correct?

A That is correct.

Q Did you also know her as Louis Hall, Jr.'s secretary?

A No, I did not, that I can remember. But I cannot fix in my mind, despite these papers, the exact date when Judge Hall died and it is possible that Louis, Jr. may have taken her over as his secretary. But I have no clear recollection on the point.

Q I believe that you also testified that Mrs. Dwyer never acted as your secretary. Is that correct?

A Never, except, as I say, there might have been some momentary emergency in the office when she or anybody's secretary would have helped me out with a letter or something of that sort.

Q But as a matter of office routine it is your testimony that Mrs. Dwyer never worked for you on any given

matters.

A Never.

MR. ELLMAN: Can we mark the following letters as Objectant's 1, 2, 3, 4, 5, 6. Number 1 is a letter from Frederic R. Sanborn to J. Edward Burroughs, Jr. dated January 19, 1950.

(Photocopy of letter from Frederic R. Sanborn to J. Edward Burroughs, Jr. dated January 19, 1950 marked Objectant Exhibit 1 for identification.)

MR. ELLMAN: Number 2 is a letter presumably from Frederic R. Sanborn to George C. Pendleton dated July 24, 1950.

(Photocopy of letter from Frederic R. Sanborn to George C. Pendleton dated July 24, 1950 marked Objectant Exhibit 2 for identification.)

MR. ELLMAN: Number 3 is a letter to George C. Pendleton dated July 18, 1950.

(Photocopy of letter to George C. Pendleton dated July 18, 1950 marked Objectant Exhibit 3 for identification.)

MR. ELLMAN: 4 is a letter to George C. Pendleton dated November 22, 1949.

(Photocopy of letter to George C. Pendleton

dated November 22, 1949 marked Objectant Exhibit 4 for identification.)

MR. ELLMAN: 5 is a letter to J. Edward Burroughs, Jr. dated February 20, 1950.

(Photocopy of letter to J. Edward Burroughs, Jr. dated February 20, 1950 marked Objectant Exhibit 5 for identification.)

MR. ELLMAN: 6 is a letter to George C. Pendleton dated October 20, 1950.

(Photocopy of letter to George C. Pendleton dated October 20, 1950 marked Objectant Exhibit 6 for identification.)

Q Judge Sanborn, I give you Objectant's 1 through 6 inclusive for identification and I ask you to look at them and see if they are at all familiar to you.

THE WITNESS: That is the case I told you about, Colonel.

MR. DOYLE: Yes.

Q May I see the letter, Judge, if you are done with it.

A I will give it back to you in just a second.

These letters, Objectant Exhibits 1, 2, 3, 4 and 5 and 6 for identification do not refresh my recollection after twenty-one years except on one particular point and

that was that some long while ago I had taught international law to different law schools and somehow it came back to me that there had been a decision in regard to the statute of limitations, which I dug up, and that is this Nathan v. Equitable Trust Company, 250 N.Y. 250 referred to in Objectant Exhibit 6 for identification.

I do remember now that that was the basis for my feeling that Kurt Schmieder or whoever the claimants may have been had no possible legitimate claim on any conceivable theory whatsoever and the line of the expiration of the statute of limitations again and again and again under this decision of the Court of Appeals of the State of New York, with which I had become familiar through teaching international law. But I have no present recollection of any of those matters of twenty-one and more years ago except that point on the statute of limitations.

MR. ELLMAN: May I have this memo marked Objectant's 7, please. This is a memo for Mr. Sanborn by E. Callan previously marked by the Special Guardian, entitled, "In re, Stoneleigh Corporation."

(Photocopy of memo for Mr. Sanborn by E. Callan dated January 31, 1949 marked Objectant Exhibit 7 for identification.)

Q Judge Sanborn, I show this to you and ask you,

having seen Objectant's 6 for identification and having had your recollection refreshed by the case discussed therein, whether that memorandum of law dealing with the same problem refreshes your recollection at all.

A No more than I have already mentioned. This is Mr. Callan's?

Q Yes, it is.

A This is Mr. Callan's memorandum to which Mr. Duffy referred. But may I refer your attention to the second page of it. Have you examined that particular page?

Q May I see it. I can't see the relevance, quite frankly. I believe that the second page was inadvertently stapled to the first page when it was reproduced in Mr. Owen's office. But I have noted that there is a second page to it.

MR. DOYLE: Does that differ in that there are two pages in this proffer and only one in Mr. Duffy's?

MR. DUFFY: I think this is an administrative problem that came about through copying in Mr. Owen's office. I don't think that the memo was more than one page. My recollection of seeing the original was that it was one page. Mr. Callan's typed signature and date appear at the bottom of that single page.

MR. DOYLE: May I suggest that you straighten the

matter out between you and amend it one way or another, either by adding to yours or subtracting from his.

MR. ELLMAN: We will subtract that page.

MR. DUFFY: I don't see how it makes much difference because he is putting it in as his exhibit and I put it in as my exhibit.

MR. DOYLE: But he may not wish to offer it and you may wish to offer a deficient proffer.

MR. ELLMAN: I am willing to stipulate that the original memorandum has one page.

THE WITNESS: Several of Mr. Ellman's exhibits purport to be the same photostats.

MR. ELLMAN: Yes, they are.

THE WITNESS: They are duplications.

MR. ELLMAN: They are.

MR. DOYLE: Except with respect to the second page.

MR. ELLMAN: Shall we move on?

THE WITNESS: Please.

Q Do you recall the case of Nathan against Equitable Trust Company referred to in Objectant Exhibit 6 for identification?

A It sticks in my memory as a generality, but not specifically and, to the best of my recollection, I have

stated the facts as they then appeared to me twenty-one years ago in your Objectant Exhibit 6 for identification. That was my best recollection as of that time.

Q And that was the basis or a basis for your belief that Kurt Schmieder's claim was not valid.

A Yes, that was one. And the second page gives another particular reason. To the best of my understanding, Kurt Schmieder or whoever it was that he had claimed his claim from or through or out of was in violation of a law of Germany in which he or his predecessor claimant or whoever it was had violated a major law.

Q I would address your attention to the second page of this letter which you have testified does refresh your recollection, to the left-hand side where the initials FRS:HD appear.

A I see them.

Q FRS --

A Are my initials.

Q And HD are?

A I presume it would be Helen Dwyer. I think she had a middle initial. I am not sure.

Q I would like to direct your attention to the same spot on the second page of Objectant Exhibit 1 for identification and ask you to identify the initials appearing

there.

A FRS are my initials and HD I presume to be those of Helen Dwyer.

Q The same thing on the lower left-hand corner of Objectant Exhibit 2 for identification.

A Those are also my initials and I presume those are of Helen Dwyer.

Q And the same for Page 2 of Objectant Exhibit 3 for identification.

A The same.

Q And on the lower left-hand corner of Objectant Exhibit 4 for identification.

A The same.

Q And Objectant Exhibit 5 for identification.

A The same.

Q Is it still your testimony that Helen Dwyer did not habitually work for you or do any typing for you on any particular matters?

A You have asked me two questions. One, she was not my secretary. My secretary was Miss Rita V. Johnston and it is my testimony that Miss Johnston did all my normal typing at all times and Mrs. Dwyer may have written a few -- whatever the number is -- letters for me.

MR. ELLMAN: Can I have some more?

I would like to note for the record that almost without exception every letter that you wrote relating to Helen Dwyer or Stoneleigh Corporation or Kurt Schmieder or Jenny Bochman within this period was typed by the person bearing the initials HD and that those exact initials were Helen Dwyer's initials as put upon the correspondence she typed for both Louis Hall, Jr. and Sr. over a period of approximately twenty years.

MR. DOYLE: The record will be the proof of that.

MR. ELLMAN: I would like to have these three pages, minutes of a meeting of the board of directors of Stoneleigh Corporation headed, "On March 30, 1938 at 3:00 o'clock in the afternoon at Room 603, 15 Exchange Place, Jersey City, New Jersey," marked as Objectant Exhibit 8.

(Photocopies of three pages of minutes of the board of directors of Stoneleigh Corporation marked as one exhibit, Objectant Exhibit 8 for identification.)

Q Judge Sanborn, I show you Objectant Exhibit 8 for identification and ask you if you have ever seen the original of those minutes or a copy thereof. Have you ever seen the original of those minutes?

A I have never seen the originals or copies. I was not present at the meeting and I have no recollection of it whatever. If you will note, it is thirty-three years ago.

Q Yes. These are minutes of a meeting of the board of directors of Stoneleigh Corporation and they are liquidating minutes.

A They purport to be that.

Q They purport to be liquidating minutes of a corporation and they are dated March 30, 1938; is that correct?

MR. OWEN: Whatever the exhibit shows it shows.

A Whatever the paper shows on its face.

MR. ELLMAN: Let's mark this Objectant Exhibit 9. It is one page marked "Stoneleigh, May 1944 to October 1951 Summary of Cash Advances."

(Photocopy of paper marked "Stoneleigh, May 1944 to October 1951 Summary of Cash Advances" marked Objectant Exhibit 9 for identification.)

Q Judge Sanborn, I presume it has been your habit in the practice of law to refer to your clients by name; is that correct? Within your office and in office memoranda and in billings; is that correct?

A I don't quite get the thrust of your question.

It is a little vague to me. Will you try to indicate what you mean and I will try to reply.

Q I once again show you Objectant Exhibit 7, which is a memorandum for Mr. Sanborn by E. Callan, dated January 29, 1949, approximately eleven years after the dissolution of Stoneleigh Corporation. The memo is titled, "Stoneleigh Corporation."

A I see the words.

Q I show you Objectant Exhibit 9, which is a one-page summary of cash advances, which comes from the files of the office of Owen & Turchin and purports to be a memorandum used in billing by Putney, Twombly, Hall & Skidmore dated in 1949.

A I do not recall having prepared Objectant Exhibit 9 for identification.

Q I ask you to look at the two exhibits for identification and ask you to tell me whether it was customary in your office at that time to refer to clients by corporate names eleven and twelve years after the corporations were dissolved.

A I cannot answer your question because I do not know how other partners or other lawyers may have billed.

Q Considering that the one memorandum is addressed to you, was it your practice to refer to corporate clients

by their corporate names eleven years after dissolution?

A I do not recall ever having a corporate client that had been dead for eleven years.

Q Once again I show you Objectant Exhibit 8, which is dated March 30, 1938, at which time Stoneleigh Corporation was dissolved at the same day immediately after its stock was transferred to Helen Dwyer.

A It didn't even purport to say that I was present.

Q I didn't say that. But it certainly purports to show that Stoneleigh Corporation was dissolved on that date.

A I wouldn't know about that. I had no part in it.

Q As you have said, the document speaks for itself.

Judge Sanborn, you have also testified, I believe, that you had at most tangential --

A I think I said "peripheral."

Q "Less than peripheral" I believe were your exact words. -- contact with the Helen B. Dwyer litigation in 1944 through 1951.

A That is true.

Q Once again I show you Objectant Exhibit 9 and ask you whether it does not indicate that Stoneleigh Corporation was charged, or its successor -- as it had been dissolved for quite a while at the time -- was not

charged or indicated to be charged with trips to Washington for you in December 1948, January 1949, March 1949, November 1950.

A The paper purports to show that, but I do not know that it is a bill.

Q It does not purport to be a bill.

A As a matter of fact, it doesn't purport to be a bill and, to the best of my recollection, I did not prepare it and have no knowledge of what figures or amounts were included in it, assuming it is a bill.

Q And this Objectant Exhibit 9 does not refresh your recollection as to the part you had in that litigation; is that correct?

A No, it does not. It is how many years old? Twenty-two; isn't it?

Q I have noted it for the record.

Judge Sanborn, I show you Special Guardian Exhibit 7 for identification which you have already been questioned about. That is the letter from you to Kurt Schmieder in 1967; is that correct?

A This is a photostat of a carbon copy of a letter.

Q Which purports to be a letter from you to Kurt Schmieder; is that correct?

A It does.

Q Which you remember writing.

A I remember writing it now, yes.

Q I believe it was your testimony that you wrote that Kurt Schmieder had no claim against Helen B. Dwyer.

A That is correct, or at least that is my impression of the substance of it.

Q And the basis of your feeling that he was making a claim against Helen B. Dwyer I believe you testified to was a hunch. Is that correct?

A Now, with the help you have given me from that document which cites the case in 250 N.Y. 250, the Nathan case -- I taught international law for fifteen or more years, I don't remember -- and like a rabbit popping out of the back of your memory, this case on the statute of limitations came vaguely into the back of my mind. I tried to find it the other day and couldn't, but your notation has helped me. I then remembered that the statute of limitations had run half a dozen times over and more than that and that there was no point in going into any alleged merits of any alleged case after something which had exceeded the statute of limitations, laches and everything else.

Q I am glad I was able to be helpful to you --

A I couldn't find it when I went to look it up.

Q But you haven't answered my question. Your recollection has now been refreshed on the basis of your feeling that there could be no claim. Under Mr. Duffy's questioning I believe you testified that the basis of your feeling that Kurt Schmieder was making a claim was a hunch.

A Yes.

Q And that you wrote this letter, Special Guardian Exhibit 7 for identification --

MR. OWEN: I think the Judge said he had a hunch that he had been told that there was no basis for it. Let's not quote to the Judge what the record reads. The record will show what he said.

MR. DOYLE: The record will show it.

Q So you either had a hunch or you might have been told that there was a claim, but you had no knowledge of the claim at the time you wrote this letter; is that correct?

A Why was Kurt Schmieder coming to the United States at the time he indicated?

Q I can answer that, but I think it is quite clearly irrelevant.

At this time Helen B. Dwyer was your client, is that correct, December 13, 1967?

A May I have the paper.

Q Certainly.

A Yes, that is correct.

Q Was it your practice as an attorney to disclaim the validity of any purported claim without knowing the facts surrounding it?

MR. OWEN: Just a minute.

A I cannot answer the question in the form in which you asked it, so tendentiously, but the answer is that I would spend no time on the alleged merits of a case on which the statute of limitations had run six or seven times over. I would even decline to look into the alleged merits.

Q But it would appear to me, Judge Sanborn, that you would have to know the fact in order to determine which statute of limitations --

MR. DOYLE: Objection. That is argumentative.

Q But in order to select the proper statute of limitations you would have to know the fact behind the asserted claim.

A The statute of limitations has been six years in this state for fifty years that I am acquainted with.

Q That is not true for all causes of action, but that is irrelevant.

You also testified that you had formed an opinion

of Kurt Schmieder independently of that expressed by Louis Hall, Sr. Is that correct?

A I really don't know at this distance, but I had formed an unfavorable opinion of him, yes. Where it came from I wouldn't recollect at this distance of time.

Q Then, to the best of your recollection, you have no feeling as to how your opinion of Kurt Schmieder was arrived at; is that correct?

A Not in the large sense, that is, I could not particularize it. Impossible.

Q But you had never met him and never had any communication with him at the time you had formed your opinion; is that correct?

A It had been my good fortune never to have met Mr. Schmieder.

Q When in the late 1960's Helen Dwyer approached you to represent her you had left the court, the International Court of Restitution, and were not then associated with the Putney, Twombly firm; is that correct?

A That is correct.

Q Were you associated with another firm at that time?

A I was not.

Q Were you in active practice of law at that time?

A The answer is sort of yes and no; not very.

Q Were you handling clients mainly who were friends?

A I don't think that has anything to do with this case. Does it?

Q I think it might. Before we go for our rulings, what I would like to explore is the basis of the attorney-client privilege.

A I was handling occasional cases for friends and for friends' estates.

Q Was that the extent of your practice at the time?

A To the best of my recollection.

Q Were you generally paid for those services?

A So far.

Q What was the extent of your involvement with Helen Dwyer and her affairs at the time that you were in active practice at the Putney, Twombly firm?

A I do not recollect that I was at all actively involved.

Q To the best of your recollection, do you remember her engaging in confidential communications with you within the scope of an attorney-client relationship at the period 1944 to 1951?

A I do not remember that there were any such communications, but, if there were, they would have been

written within the ambit of the firm partnership in which we were all lawyers.

Q So it is your testimony that, to the best of your recollection, you had no confidential communications directly with Helen Dwyer at that time.

A That is not my recollection at all. If I had had any communications with her, they would have been confidential.

Q I didn't ask privilege. I asked confidential relation.

A Any communication with a client is a confidential communication.

Q Let me use a different word.

Do you have any recollection of any private communications between you and Helen Dwyer relating to her affairs between the period 1944 to 1951?

MR. DOYLE: Are you talking about him individually or Frederic Sanborn as an employee of Putney?

THE WITNESS: Partner, if you please.

MR. ELLMAN: I am talking about him individually talking to her individually.

MR. DOYLE: And disassociating himself from the firm?

MR. ELLMAN: I am not asking about anything that

might have happened between him and Louis Hall.

MR. DOYLE: But as an employee of the firm. He was acting as an employee of the firm and accordingly the privilege which would attach to the firm would attach to him.

MR. ELLMAN: I will rephrase it.

Q Do you have any recollection of any communications directly between you and Helen Dwyer relating to private financial or other matters of Helen Dwyer's in your capacity as an individual other than as a partner in Putney, Twombly?

MR. DOYLE: That is objected to.

MR. OWEN: I object to the form of that.

MR. ELLMAN: I am being forced into rather ludicrous ground.

A No personal relationships with Mrs. Dwyer whatever. Any relationships I had with her were entirely professional.

Q Did you have any professional relationships with Mrs. Dwyer in the period 1944 to 1951 at which time she disclosed to you matters concerning her financial or other affairs?

A You have asked several different questions there. It is objectionable as to form. I never discussed her financial matters with her at any time or under any

circumstances. If I had any discussions with her, it would have been in regard to her legal rights and what could be done about them.

Q Did you have any conversations directly with Mrs. Dwyer regarding her legal rights?

A I may have, but I cannot recollect it.

Q Then it is your testimony, to the best of your recollection, that you had no direct --

MR. OWEN: No. He said he may have, but he can't recollect.

MR. ELLMAN: I said, to the best of his recollection right now he cannot recall any direct communications between him and Helen Dwyer as an attorney.

A I cannot recall it. That is the answer.

Q Did you ever meet Helen Dwyer in your capacity as an attorney outside the Putney, Twombly office?

A Never.

Q How often did you have conferences with Mrs. Dwyer at the time you were acting as her attorney?

A I have no recollection.

MR. OWEN: What period of time are we involved with here?

MR. ELLMAN: Any time that he was acting as her

attorney.

MR. OWEN: Judge, did you understand the time period that was involved in that question?

MR. DUFFY: He said he had no recollection.

THE WITNESS: I have no recollection.

MR. OWEN: He was talking about a period '44 to '51 and then he changed it to cover any time, which would include up to the time she died.

THE WITNESS: I thought he was including up to '54, when I left the firm.

MR. OWEN: That's what I thought.

THE WITNESS: It was an ambiguously phrased question, not very clear.

MR. ELLMAN: Would you read the last question.

(The last question was read.)

Q How often did you have conferences with Mrs. Dwyer as her attorney in the period 1944 to 1951?

A I have no recollection.

Q How often did you have conferences with Mrs. Dwyer during the period you were acting as her attorney from in or around 1967?

A Possibly one.

Q Where was that conference held?

A At the Williams Club.

Q When you were with the Putney, Twombly firm, was it your practice to have mail addressed to you in care of the firm?

A In general, no.

Q How was it addressed?

A To the firm, attention of.

Q And that was your habitual practice.

A I didn't say that. I said it was generally my practice.

Q Would you say that it was unusual or somewhat unusual for correspondence to be addressed in a different way?

A No, I would not. It would all depend on the nature of the case.

Q What type of case would demand a different type of address?

A Something that I might deem was particularly confidential.

Q I show you Objectant Exhibit 4 for identification and direct your attention to the second paragraph.

A I presumably deemed this matter to be confidential at that time.

MR. ELLMAN: That, for the record, is a statement or request by you to George C. Pendleton that he take

special care.

MR. DOYLE: That is not necessary.

Q Why, to the best of your recollection, would you make such a request?

A I have already answered that question in your previous question.

Q What made this matter particularly confidential?

A I wouldn't know. I just felt that way about it.

Q Although you were only tangentially or only peripherally involved.

MR. OWEN: I object to this. It is argumentative.

Q I direct your attention to Objectant Exhibit 3 for identification, which is a letter from you to George Pendleton dated July 18, 1950, particularly Paragraph 4.

Is it still your testimony that you never heard of Jenny Bochman and you had no dealings with Stoneleigh Corporation?

A I had no dealings with Stoneleigh Corporation, I have no recollection of Mrs. Bochman and I observe it is over twenty-one years ago.

Q Judge Sanborn, let me question you, if I might, about something that is in your field.

I take it that you are a recognized expert in international law and specifically wartime legislation.

A No. I was, but I am not.

Q You are no longer recognized or no longer an expert?

A Both.

Q On the basis of your knowledge as a practitioner familiar with wartime legislation --

A I didn't say I was familiar with wartime legislation. I am not.

Q Were you?

A I do not believe I ever was.

Q Yet you were representing Helen B. Dwyer in 1967 and presumably had some peripheral involvement with the litigation through 1944 to 1950 and you cited a case describing --

A The statute of limitations.

Q On wartime claims.

A Yes. But it still fell under the topic of statute of limitations.

MR. OWEN: May I ask if you are going to end up asking him for an opinion on a question of international law? Because if you are I will object to it on the ground that he is here as a fact witness and not as an expert on questions of law, international or otherwise. I thought we might save some time.

MR. ELLMAN: Fine. I will object to your objection if it were on the basis that we have seen his expertise already on many areas of law. But let that go. I think that does it for me.

MR. OWEN: May I ask one or two questions.

EXAMINATION BY MR. OWEN:

Q Judge Sanborn, you mentioned that you have some recollection of meeting Mrs. Dwyer in the Williams Club in the 1960's.

A Yes. The date I can't fix.

Q I gather you were a member of the Williams Club at that time.

A No, oddly enough I was not. I was a member of a club which was being sheltered by the Williams Club.

Q You used their facilities.

A That is correct.

Q And I gather that they had facilities with a cocktail lounge where this kind of a meeting was possible.

A Yes.

Q It is there you have a recollection of a meeting with Mrs. Dwyer.

A That is correct.

MR. OWEN: Those are the only questions I have.

MR. ELLMAN: I have one question.

MR. DOYLE: If it is one.

MR. ELLMAN: Just one.

BY MR. ELLMAN:

Q Did you have any experience at any time in your practice of law with similar gifts by German nationals to American citizens presumably to avoid wartime legislation?

MR. DOYLE: Objected to. It is assuming a state of facts. Similar gifts where no gift has been testified to or known. The question is entirely out of order.

MR. ELLMAN: May I rephrase it?

MR. DOYLE: You can't rephrase it and save it that way.

Q At any time during your practice of law, did you deal with a case where an enemy national made or purported to make a gift to an American citizen?

MR. OWEN: I object.

MR. ELLMAN: On what ground?

MR. OWEN: On the ground that what happened with anybody else is entirely irrelevant to what happened in this case.

MR. ELLMAN: Not at all.

MR. DOYLE: And immaterial.

MR. ELLMAN: No, it is not. If you want a ruling

on this, I will go right now.

MR. DOYLE: You can get your ruling on it.

MR. ELLMAN: I will go right now. That is more than relevant.

Read the last question.

MR. DUFFY: Let it stand on the record and we will go before the surrogate. It is that simple.

MR. DOYLE: Go ahead. We haven't denied your right yet. Is that your last question?

MR. ELLMAN: That's it.

EXAMINATION BY MR. DOYLE:

Q Judge Sanborn, at all the times mentioned herein, were you a practicing attorney in the State of New York?

A Yes.

Q When did you quit the Putney firm?

A In 1954.

Q Since that time, have you ever surrendered your license or right to practice law?

A No. Never have I been disciplined.

Q Are you presently in good standing as a counselor in the State of New York?

A I am.

MR. DOYLE: Thank you.

BY MR. DUFFY:

Q Are you aware that Kurt Schmieder brought suit against Mrs. Dwyer in the Federal District Court for the Southern District of New York?

A No.

Q You are not aware of that.

A I am not aware of that.

MR. ELLMAN: He also brought suit against her in the State of Massachusetts. That is for your information.

_____

Subscribed and sworn to before me
this_____day of_____1971.

_____

PLAINTIFF'S EXHIBIT 15-B - EXHIBITS TO SANBORN TRANSCRIPT OF E331

AUGUST 26, 1971

WESTERN UNION INTERNATIONAL, INC.

E. A. GALLAGHER, PRESIDENT

7731A LOERRCH D

Received VIA W. U. I. New York, N. Y. Telephone 363-5858

88 LOERRACH 34 18 1725 =
LT = RP 9,34 = HELEN B. DWYER 240 CENTRALPARKSOUTH
NEWYORK =

INTEND TO BE IN NEWYORK BETWEEN 20. AN 30. NOVEMBER
PLEASE CABLE WHETHER YOU WILL BE AVAILABLE ANSWER IS
PAID =
KURT SCHMIEDER HANGSTR E 15 LOERRACH GERMANY

COL 20 30 15 9,34

WUI 1251 (9-65)

WESTERN UNION INTERNATIONAL, INC.

CLASS OF SERVICE	
FULL RATE	
CABLE LETTER GL	
PREPD	
FULL RATE WILL APPLY UNLESS OTHERWISE INDICATED	

CABLEGRAM

E. A. GALLAGHER, PRESIDENT

NO. WDS. CL. OF SVC. | CASH NO. | CHARGE TO THE ACCOUNT OF

WE ARE CABLES HERE

Oct 30 1967

TO KURT SCHMIEDER

HANGSTRASSE 15, LOERRACH GERMANY Via

YOUR CABLE OCTOBER 18 TO DWYER REFERRED TO ME STOP SHE WILL NOT SEE YOU IN NOVEMBER OR ANY OTHER TIME STOP ANY FURTHER COMMUNICATIONS FROM YOU MUST BE ADDRESSED TO ME

FREDERIC R. SANBORN
15 GARDEN PLACE
BROOKLYN NEW YORK

Sender's address for reference

Sender's telephone number

Send the above message subject to the conditions, rules and regulations of Western Union International, Inc. set forth in its tariffs on file with the Federal Communications Commission.

E332

Translation of letter to F.R.Sanborn from Kurt Schmieder dated 16 Nov '67

Dear Mr. Sanborn,

I received your letter of 31 October 1967.

Since Mrs Dwyer does not wish a direct meeting with me I am forced to turn to you.

I assume that you are aware of all the circumstances starting from 1938 thru 1953 until the present day and that therefore I can ask what your attitude in the matter is and for all further information which I might need.

I might add that my request is warranted by the earlier agreement.

I had intended to visit the USA end of November but will first await your reply.

The trip could be postponed to a later date at your request since the USA is not as in the winter as in the early spring and since reduced fare tourist trips are not taking place at the moment.

I am looking forward to an exhaustive (full) reply and greet you

With high regard,

FREDERIC R. SANBORN
FIFTEEN GARDEN PLACE
BROOKLYN, N. Y. 11201

E333

December 13, 1967.

Dear Mrs. Dwyer;

Enclosed is a copy of the reply which I have sent to Herr Schmiedel's letter to me. (Another copy to L.H.H. Jr.)

This delay was deliberate. We have by-passed Thanksgiving, and now I think that we can count on by-passing the Holiday season. Perhaps the whole winter, which in New York Herr S. does not like.

Moreover, and in the light of his years, both old age and potential illness fight on our side.

With warm good wishes to you for Christmas and the New Year I am

Very sincerely yours,

Frederic R. Sanborn.

Mrs. Helen B. Dwyer
240 Central Park South
New York, N.Y.

Kurt [illegible]

E334

Lörrach

Hauptstr.15 Postfach 1246

Herrn
Frederic R.Sanborn

15 GardenPlace

Brooklyn/New York

Sehr geehrter Herr Sanborn!

Ich empfing Ihr Telegramm vom 21.ds.

Da Frau Dwyer eine direkte Begegnung mit mir nicht wünscht, bin ich gezwungen mich an Sie zu wenden.

Ich darf annehmen, dass Ihnen die [illegible] Verhältnisse von ab 1938 über 1953 bis zum heutigen Tage bekannt sind, sodass ich Sie um Ihre Stellungnahme und alle weiteren [illegible] bitten möchte, die ich eventl benötige.

Ich darf noch hinzufügen, dass meine Bitte auf Grund der früheren Abmachungen berechtigt ist.

Ich wollte eigentlich Ende November die USA. besuchen, möchte aber vorerst Ihre Antwort abwarten.

Die Reise könnte auf Ihren Wunsch auf einen späteren Termin verschoben werden, zumal die USA. sowieso im Winter nicht so schön sind, als im zeitigen Frühjahr, zumal preisgünstige Gesellschaftsreisen z.Z. noch nicht wieder stattfinden.

Ich sehe einer erschöpfenden Antwort gern entgegen und begrüße Sie

hochachtungsvoll

[signature]

E335 November 22, 1949

George O. Pendleton, Esq.,
Cummings, Stanley, Truitt & Cross, Esqs.,
1025 K Street N. W.
Washington 6, D. C.

Dear Mr. Pendleton:

This will acknowledge receipt of your letter of November 21, 1949 addressed to Judge Hall. I am deeply sorry to have to inform you that Judge Hall died on the morning of November 17th of a heart attack. Mrs. Dwyer wishes me to handle the case henceforth and I therefore request that Mr. Burroughs and you address further correspondence to me.

Will you please make a special point to see that the envelop is always marked personal and will you also please be so kind as to bring this request to Mr. Burrough's attention.

I shall look forward with interest to the information which you expect to obtain from the Department of Justice in a week or so and I agree with you that after we have received this answer we shall be in a better position to consider what the next move ought to be. As I believe you are well aware, we are quite anxious to keep this case moving ahead promptly, either to a trial on the merits or to an early settlement if a settlement should be possible on a reasonable basis.

Very truly yours,

FMB:hd

E336

November 22, 1949

George C. Pendleton, Esq.,
Cummings, Stanley, Truitt & Cross, Esqs.,
1625 K Street N. W.
Washington 6, D. C.

Dear Mr. Pendleton:

This will acknowledge receipt of your letter of November 21, 1949 addressed to Judge Hall. I am deeply sorry to have to inform you that Judge Hall died on the morning of November 17th of a heart attack. Mrs. Dwyer wishes me to handle the case henceforth and I therefore request that Mr. Burroughs and you address further correspondence to me.

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Very truly yours,

FMS:hd

E337 January 19, 1950

J. Edward Burroughs, Jr., Esq.,
Cummings, Stanley, Truitt & Cross, Esqs.
Commonwealth Building,
1625 K Street, N. W.,
Washington 6, D. C.

In re: Dwyer v. U.S.A.

Dear Mr. Burroughs:

This will acknowledge receipt of your letter of January 18, 1950.

You will recall that the original letter to the Department of Justice was sent on or about October 26, 1949.

Under date of November 21, 1949 Mr. Pendleton wrote me that Miss Meyer had been delayed, but that she would start to work immediately on the Dwyer matter and give us a comprehensive answer in a week or so.

When I saw you in Washington on December 12th you stated that you hoped to obtain the further information from Miss Meyer by Christmas.

Your present letter does not suggest any time within which you hope to obtain the papers.

Thus there has been a delay of about three months and there is no specific end yet in sight.

This delay is very disappointing and particularly so as I am confident that you are well aware of my very strong feeling that we should be moving Mrs. Dwyer's case forward.

It is about thirteen months since her property was taken from her and the seizure of her property and of her income has caused her very substantial hardship. It does seem to me that it should be in the forefront of all of our minds, and that it should be emphasized to the Department of Justice that here is an American lady whose property has been taken from her upon a thin and bare suspicion, and has in consequence suffered hardship and a reduction in her way of living. It is very unjust that this condition should drag along from week to week and from month to month without

activity by the Department in complying with your request. I do wish that somehow you could make Miss Meyer, or whoever is in charge in the Department, appreciate the hardship which is being inflicted and the injustice which is being done by this protracted and, it seems to me, inexcusable delay.

Very truly yours,

FRS:hd

E339

January 19, 1950

J. Edward Burroughs, Jr., Esq.,
Cummings, Stanley, Truitt & Cross, Esqs.
Commonwealth Building,
1625 K Street, N. W.,
Washington 6, D. C.

In re: Dwyer v. U.S.A.

Dear Mr. Burroughs:

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You will recall that the original letter to the Department of Justice was sent on or about October 26, 1949.

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activity by the Department in complying with your request. I do wish that somehow you could make Miss Meyer, or whoever is in charge in the Department, appreciate the hardship which is being inflicted and the injustice which is being done by this protracted and, it seems to me, inexcusable delay.

Very truly yours,

FRS:hd

July 18, 1950

E341

George C. Pendleton, Esq.,
Cummings, Stanley, Truitt & Cross, Esqs.,
1625 K Street, N. W.
Washington 6, D. C.

Dear Mr. Pendleton:

In the absence of Mr. Hall, Jr., on vacation I am answering your letter of July 17, 1950.

With reference to item 3(d) we have the carbon of the message as sent to the company for transmission.

With reference to item 3 (e) we have only a copy. New York Trust Company presumably has the original if it preserves its papers that long.

Items 3(f) and (g) are in the minute book of Stoneleigh Corporation. Item 3(g) was signed by Mrs. Boehmann.

Item 3(l) was filed with the Treasury Department and the original should be in their files.

With reference to item 3(o) we have the original carbon and New York Trust Company would have the original if it keeps its papers that long.

Item 3(p) can be removed if required.

Answering your query as to Item 3(q), your conjecture is exactly right that Mrs. Boehmann returned it.

With reference to Item 6 Mrs. Dwyer has the gift letters in the safe. The A.P.C. has already been given photostats of them.

With rereference to Item 7 this stock power is in the stock book of Stoneleigh Corporation.

Mrs. Dwyer is a little reluctant to send some of these original papers and she is particularly reluctant to send the three gift letters. She feels that there is a possibility of their loss in the mails or in some conference room and she particularly feels that the three gift letters which form Item 6 are, as it were, the cornerstone of her title, both legally and morally.

We doubt that any dispute will arise as to the authenticity of these documents, but if I should be mistaken about this we can produce the originals in case of such eventuality.

I do not think it likely that the claim will be raised that either your office or ours is presenting forged or fraudulent documents which, it seems to me, is what such a claim would amount to.

Do you not agree with her that it might be better to let these original documents stay here until such a time as it is clearly necessary to produce some one or more of the originals or the original carbons?

With kind personal regards, I am

Sincerely yours,

FRS:hd

E343

July 24, 1950

George C. Pendleton, Esq.,
Cummings, Stanley, Truitt & Cross, Esqs.
1625 K Street, N. W.
Washington 6, D. C.

Dear Mr. Pendleton:

This letter will acknowledge your letter dated July 20th enclosing the original and one copy of the proposed affidavit for Mrs. Dwyer to verify. We have examined it carefully and we are inclined to feel that the omissions have improved the affidavit. Accordingly, Mrs. Dwyer has verified the original and returns it herewith.

The original documents to which you refer are available here and will be sent to you quickly if they should become necessary. Also, the original letter from Mrs. Dwyer to Mrs. Bochmann, dated February 4, 1939 (item 3 (q)) is in our possession.

I am also inclined to agree with you as to the disadvantages of interviewing Mrs. Bochmann in Switzerland. I believe I am correct in stating that Mr. Hall, Jr., shared my own views, but we thought it better to let Mr. Durroughs and you make the decision free from any negative suggestions on our part. We are therefore glad that we are in complete agreement.

I thank you for your good wishes and trust that all will go well - as I believe it will - on the motion for summary judgment if the negotiations with the government should not prove to be satisfactory.

Sincerely yours,

FRS:hd
Encl.

HOMER CUMMINGS
WILLIAM STANLEY (1889-1946)
MAX O'RELL TRUITT
J. EDWARD BURROUGHS, JR.
MAC ASBILL
WILLIAM D. DONNELLY
EDWARD H. MILLER
JOHN W. CROSS

W. LAWRENCE KEITT
WILLIAM P. ARNOLD
CARY McN. EUWER
ALFRED E. NOTARIANNI
RICHARD A. FITZGERALD
PHILIP SCHLEIT

E344

CUMMINGS, STANLEY, TRUITT & CROSS
COMMONWEALTH BUILDING
1625 K STREET, NORTHWEST
WASHINGTON 6, D. C.

November 28, 194[illegible]

Frederic R. Sanborn, Esq.
Putney, Twombly, Hall & Strong
165 Broadway
New York, 6, New York

Dear Mr. Sanborn:

I was distressed to learn from your letter to Mr. Pendleton that Judge Hall had passed away.

Judge Hall's death poses a serious problem insofar as the Dwyer matter is concerned, for while we may get the record of his previous testimony in evidence by stipulation, in my opinion it will not be nearly as effective as if he had been present to testify in person. In the last paragraph of your letter you mention an early settlement if that should be possible on a reasonable basis. I think it would be highly desirable for you and Mrs. Dwyer to explore this matter and advise us what you feel would be a reasonable basis. We have not discussed the question of settlement because we felt that we wanted to finish up the matter of obtaining their evidence before making any further moves.

I shall appreciate your advice in this matter.

Very truly yours,

J. Edward Burroughs, Jr.

JEB:mr

E345 H25

C.C.Bay v. C.Clerk

Stk. C ~ ?

~ 3 ass. W. { Bagnton
Blackburn: chest
Henry Hilton
Philips Blackburn

Discuss ~ form ~ claim
" " facts ~

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Dec. 27 1935 N.H.Nunn — A.P.C. dep ~ Burroughs re N.Y.T. Co.

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Burroughs & ~ J work ~ form

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& add Supplm ~ 12 w. small changes & ~
~ copy ~ & as written

Burroughs ~ arrange ~ ~, cover ~

Checked ~ ~ ~ W & Leonard

~ ~ ~ ~ ~ ~ ~

E346

240 Central Park, South
New York, New York 10019

September 28, 1967

Gentlemen:

I have been informed by two corporations in which I am a stockholder that they have received inquiries as to my address. Both of these companies have declined to supply this information on the grounds of confidentiality. The inquiries have come from the Union Bank of Switzerland, which claims to be investigating on behalf of a "long time customer," and I assume that it has sent similar inquiries to various other sources, possibly including your own Company.

This letter is to request that, if any such inquiry is received, no information be supplied. On the other hand, if this request reaches you too late and my address has already been furnished, I should appreciate your so advising me.

Very truly yours,

Helen B. Dwyer

E347

Anneliese Hunkins

7604 Rainbow Drive, November 17.67
Prairie Village/Kansas
66 208

Phone : AN 9 - 4172

Mrs.
Helen B. D w y e r
240 Central Park South

New York, N. Y.

Dear Mrs. D w y e r ,

you will wondering, why I write to you, well I wrote a letter to you in 1963 and asked Mr. Graupner jr. to deliver that letter to you, but " he did not know your adress ".

Now I rec. a letter from Mr. Schnieder, Loerrach/ Baden that he like to visit you and you answer" no". Really we can not undertand that matter, because Mr. Schnieder only like to say "Hallo to you and talked the matter over just Mr. Gruapner sr. promised him. Now he want me to see you, well and I ask you, we all like to meat you, why you not come over to Kansas - City here and meat me and we can talk together. Kansas City in Christmastime is really a trip worth. The Plaza is beautiful.

Really please understood, we can not understand why is is all so secret, that you can not contact some friends of Mr. Schnieder who give you that Gift.

Please write to me so we get an idea what you have in your mind.

That will be very nice, now many, even if I do not know you.

Greetings

Anneliese Hunkins

Please xouse if you find some mistakes, but I am still even if I am a Citicien not perfect in writing english.

MEMO FOR MR. SANBORN

ONELEIGH CORPORATION - ARTICLE OF ADOLF HAMBURGER, dated January 29, 1949, New York Times

Research was made as to whether there was any statutory support for the author's following statement:

> "Property inherited after Jan. 1, 1947, is no longer subject to confiscation as enemy property and may be claimed immediately in the Surrogate Court where the deceased was domiciled."

The only item found in connection with this was in the War Claims Act of 1948 (Title 50, Appendix, Section 2011). However, there was no reference in this section to the date of January 1, 1947, as being the deadline for seizing property inherited.

As a result, I called Mr. Hamburger, and he reported to me that he did not base this statement on any statutory law. He stated that he was acquainted with some one in the office of the Alien Property Custodian here in New York, and that the latter informed him that it was the practice of that office not to seize property inherited after January 1, 1947. He emphasized again that it was merely a practice of that office and was not based on any statute. He admitted the statement was misleading, but that the article was merely a part of a longer article which he wrote for the local German Chamber of Commerce.

I will take the necessary steps to obtain a copy of that article.

Inquiry was also made as to the New York Statutes covering the date designated by the Legislature for the termination of the war. The constitutional power of the Legislature to determine the dates covering the "time of war" was upheld in the case of Cahan v McNamara, 188 Misc. 453 (Advance Sheets #497). The legislative designation of the time of World War 2 as being the period from December 7, 1941 to September 2, 1945, is found in the Civil Service Laws (McKinney's) Sec. 21.

It also might be noted that by Presidential Proclamation #2714, President Truman declared the cessation of hostilities of World War 2 to be twelve o'clock noon December 31, 1946.

Further inquiry will be made as to any acts of Congress pertaining to the termination of the war.

Jan 31 1950 E.CALLAN

E349

December 13, 1937

Mr. Kurt Schneider
Hangstrasse 15 -- Postfach 78
Lorrach
Germany

Dear Sir:

Your letter dated November 18, 1937, has been received.

1. If you should come to the United States it is not because of my wish.

2. At such a meeting I would have nothing whatsoever more to say to you than what you have been told many times. Its substance is repeated in the following paragraph. Consequently there is nothing else to write you at any length.

3. There never was any "agreement." You have no claim of any sort against Mrs. Dwyer. She will not pay you one cent by way of settlement of any alleged claim, or ~~as alimony~~ as a gift, or by any other name, or in any other way.

Very truly yours,

Frederic R. Sanborn.

FRS:V
Air Mail

Copy E350 Dec 23 1967

Dear Mr S:

Thanks for the copy of your letter to K.S which states the situation very clearly.

I do so appreciate your willingness to take on this unpleasant task on my behalf. It is a true relief to have someone who knows me and who knows the background and the people involved handling this affair for me. I am confident that matters will be managed in the best way possible.

Rand I enjoyed the Breakfast ~~Hen~~ very much

Best wishes for Christmas and may the coming year be good to you and your loved ones.

Most sincerely yours

HHS D

A 202 Affidavit of Personal Service of Papers LUTZ APPELLATE PRINTERS, INC.

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

KURT SCHMIEDER,
Plaintiff- Appellant,

- against -

LOUIS H. HALL , as executor of the estate of Helen B. Dwyer, deceased,
Defendant- Appellee,

Index No.

Affidavit of Personal Service

STATE OF NEW YORK, COUNTY OF **NEW YORK** *ss.:*

I, Victor Ortega, *being duly sworn, depose and say that deponent is not a party to the action, is over 18 years of age and resides at* 1027 Avenue St. John, Bronx, New York

That on the **21** *day of* **June** *19* **76** *at* **1) 1290 Avenue of Americas, New York, New York**
2) 60 East 42nd Street, New York, New York

deponent served the annexed **Appendix Exhibit Vol.** *upon*

1) A Martin Obermaier & Morvillo
2) Truchin & Topper

the **Attorneys** *in this action by delivering a true copy thereof to said individual personally. Deponent knew the person so served to be the person mentioned and described in said papers as the* Attorney(s) *herein,*

Sworn to before me, this **21** *day of* **June** *19* **76**

Robert T. Brin

ROBERT T. BRIN
NOTARY PUBLIC, State of New York
No. 31 0418950
Qualified in New York County
Commission Expires March 30, 1977

Victor Ortega

VICTOR ORTEGA